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# Sub-Saharan Africa Report

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11 JUNE 1986

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ANGOLA

FAPLA, UNITA'S MILITARY STRENGTH ASSESSED

Johannesburg THE WEEKLY MAIL in English 16 May 86 p 11

[Article by Kevin Toolis]

[Text] With the rainy season over, the military clash in Angola is expected to heat up again. Backed by newly-acquired equipment from the U.S., Jonas Savimbi's rebels will have a stronger hand.

But Luanda has also been resupplied--by the Eastern bloc---and hopes to wipe out Savimbi once and for all.

After a recent lull in hostilities, which savimbi used to visit Washington and secure promises of supplies, this fight is about to intensify.

The Angolan army, FAPLA, has been reinforced with new Soviet military hardware and is expected to launch an all-out assault on Savimbi's Jamba stronghold in a bid to crush the rebels once and for all.

Military observers believe the retrained FAPLA army is capable of succeeding. Western intelligence reports emanating from South Africa already claim FAPLA has deployed four mechanized brigades at the strategic Cuito Cuanavale base in Cuando-Cubango, and another brigade to the north, at Lucusse in Moxico province, in preparation for a repeat of last year's classic pincer-style offensive.

Despite Washington's recent \$30-million aid package to UNITA, FAPLA is in an overwhelmingly superior military position. According to the London-based Institute for Strategic Studies, FAPLA's strength now stands at 49,500 men, an increase of 6,000 in the last year, backed by 20,000 Cuban troops and 5,000 advisers.

In addition there are up to 3,000 other foreign personnel including 700 Russians and 500 East Germans who UNITA claims are closely involved in the planning of battles and the operation of radar and anti-aircraft installations.

Because of large-scale arms shipments over the last two years, Angola's air defences have risen by 800 percent with the acquisition of 160 SAM-3 missiles and an unknown number of SAM-8 and SAM-9s. The Angolan air force has also acquired



12 MiG-19 and 30 MiG-21 interceptors in a bid to combat South Africa's air superiority.

Hind helicopter gunships, destroyed by the South African air force at the key battle for Mavinga last October, have also been replaced and some reports claim the Angolans have also been supplied with advanced MiG-23 Flogger G fighters—one of the latest weapons in the Soviet arsenal.

With just under 20,000 groops and an unknown number of irregular forces, UNITA alone would be no match for FAPLA without Pretoria's aid.

South African help was essential last year in the battle for Mavinga, 200 km north of Savimbi's Jamba stronghold.

FAPLA wanted UNITA-occupied Mavinga as a southern base for its battery of Soviet anti-aircraft missiles to challenge South African air superiority over the remote south-east province. The road would then have been open to attack Jamba.

In early October last year the two sides finally squared up just north of Mavinga in a battle in which more than 1,000 men are estimated to have died. In the end the South African air force turned the tide in favour of the Angolan rebels. Wave after wave of Mirage jets bombed and strafed FAPLA supply columns.

FAPLA's failure at Mavinga still left Luanda with considerable territorial gains, which it hopes to exploit this year. If it succeeds, it will damage Pretoria's efforts in Namibia and undermine Savimbi's rebellion.

If it fails, and Pretoria repeats its bloody brusing of the Angolan army, it may force Luanda into some form of unity talks with Savimbi, including pressure to expel SWAPO from Angola.

/9274

CSO: 3400/1780

ANGOLA

BRIEFS

**MORE REFUGEES FLEE TO ZAMBIA**—Briefing newsmen at the Society's headquarters in Lusaka, Dr Nalumbo feared that many more refugees would pour in from Angola following the military support the rebel UNITA movement would receive from the United States government. Flanked by Mr Olavi Wetterstrand, field delegate of the League of Red Cross in Geneva and Mr Larry Bennett, regional delegate of the League of Red Cross and Red Crescent Societies based in Harare, Dr Nalumbo said there were about 11,600 refugees in Eastern Province and an average of about 700 to 1,000 of them in Luangwa. Those in Eastern Province were spread from Katete to Petauke. He said that the work of his organization would have been lightened had there been established refugee centers in the areas flooded by the refugees. Since the refugees were scattered, it was difficult to distribute food, medicines and other essentials. Dr Nalumbo noted that Africare, an American organization, donated K10,000 worth of drugs which have already been distributed. "Our main problem at present is Malaria and cases of diarrhoea and malnutrition and the donation by Africare was a timely one." Dr Nalumbo conceded that some of children of the refugees had died of the diseases but could not disclose the actual number. [Excerpt] [Lusaka ZAMBIA DAILY MAIL in English 15 Apr 86 p 1] /9274

**DIAMOND PRODUCTION CROPS**—Lisbon—Angolan diamond production fell almost 60% below target in the first quarter. The official news agency Angop said Unita attacks on mines might have been among the causes. It quoted an administrator of the mainly State-owned diamond company Diamang as saying January-March production was 69 141 carats, compared with a target of 170 617. Unita said it seized a month's production, worth about \$6m, in a March attack on the northern diamond-mining town of Andrada. Angop quoted the administrator as saying untapped diamond deposits existed in six provinces, but that it would take extensive prospecting before they could be mined. Production is concentrated in the north-east of the country. [Text] [Johannesburg BUSINESS DAY in English 15 May 86 p 11] /9274

CSO: 3400/1780

CHAD

# LAKE CHAD BASIN COMMISSION MEETING ENDS

AB152157 Ndjamena Domestic Service in French 1845 GMT 15 May 86

[Summary from poor reception] The 32d ministerial session of the deliberations of the Lake Chad Basin Commission ended in Ndjamena 24 hours ago. "As a matter of fact, the representatives of Cameroon, Nigeria, Niger, and of course Chad addressed themselves to problems facing this tool of subregional cooperation which the member countries would like to turn into a model of cooperation in the field of integrated economy." Some 22 years after its creation, the Lake Chad Basin Commission is still pursuing its objectives. The final communique issued at the end of the deliberations presided over by our minister of agriculture and development says the ministers heard the report prepared by the Executive Secretariat and the report of the Technical Subcommittee on the program of activities for 1987. Meanwhile, participants noted with satisfaction the progress in efforts to find funding for the 5-year plan of action. They asked the executive secretary to pursue these efforts. They urged the Executive Secretariat to work toward "finding ways and means to demarcate the borders and to leave no stone unturned in order to enforce the fundamental measure on the equitable utilization of the waters of the Lake Chad." The commission asked the Chadian minister of agriculture and rural development to convey profound gratitude to President Hissein Habre and the government and people of Chad for the warm welcome. "The participants agreed on the need to reactivate this regional organization as an exemplary tool for South-South cooperation."

However, no decisions were made on some very important points of the agenda. For instance, no answer was given in the final communique on the question: When will the headquarters of the commission return to the Chadian capital? It was transferred to Maroua, Cameroon, in 1979.

/9604  
CSO: 3400/1739

11 June 1986

## GHANA

## BRIEFS

BURKINA AIR LINKS RESUME—Ghana and Burkina Faso have reached agreement to resume air traffic links which were suspended 9 years ago. The agreement follows 3 days of talks in Accra between the aeronautical authorities of the two sides. Ghana's delegation was led by the acting chief director of the Ministry of Transport and Communications, Mr L.B. (Lurik) while the Burkina Faso team was headed by Mr Paul Antoine. [Excerpt] [Accra Domestic Service in English 0700 GMT 17 May 86] /9604

CIVIL AVIATION AUTHORITY ESTABLISHED--A law establishing the Ghana Civil Aviation Authority was today signed by the chairman of the PNDC. Under the law, the new authority shall, among other things, be responsible for the licensing of air transport, and the licensing of the provision of accomodation in aircraft, the provision of air navigation services, the operation of aerodromes, and provision of aeronautical assistance and information, the registration of aircraft, and ensuring safety of air navigation and aircraft, including air worthiness, regulating air transport services, securing sound development of the civil air transport industry in Ghana, advising the government on matters concerning civil aviation. [Excerpt] [Accra Domestic Service in English 2000 GMT 16 May 86] /9604

CIVIL AVIATION DEPARTMENT REORGANIZED--Personnel changes have been made at the Civil Aviation Department. The appointments of some have been terminated for incompetence, and administrative lapses which have resulted in substantial losses to the economy, while others have been terminated for gross insubordination. [Excerpt] [Accra Domestic Service in English 2000 GMT 16 May 86] /9604

CSO: 3400/1735

MOZAMBIQUE

HUMAN TRADE IN REFUGEES EXPOSED ON SOUTH AFRICA'S BORDERS

Johannesburg SUNDAY TIMES in English 4 May 86 pp 1, 2

[Article by Hilton Hamann]

[Text] A sordid human trade in refugees fleeing war-torn Mozambique has been exposed on South Africa's north-eastern borders.

Offenders--some allegedly government officials--are making fortunes in running desperate refugees into South Africa across the northern borders.

More than 150 000 illegal Mozambican immigrants are believed to be in South Africa already. Border patrols repatriate 1 500 a week but officials admit this is only a drop in the refugee ocean.

This week four customs and passport control officials from the Lebombo border post near Komatipoort appeared in court. The charge--taking bribes from refugees.

But police sources believe it is only the tip of the iceberg. A prominent Komatipoort businessman is suspected of masterminding the human smuggling ring.

Takings

The trade--reminiscent of the infamous "wetback" smuggling over the US-Mexican border--is blossoming. It is also, police claim, extremely difficult to stamp out.

The going rate to bring an illegal across is R100. With thousands of refugees fleeing poverty and war in their own country, the takings by unscrupulous people who exploit their misery is enormous.

Despite all attempts by the authorities, the refugees still keep flooding into South Africa as hunger and the escalating brutality of the Mozambican civil war takes its toll on the battle-weary peasants.

"It's a tremendous problem," said Lieutenant At Meyer of the South African Police at Komatipoort.



"Many of the people who live here have family on that side of the border. It is all too easy for unscrupulous people to make money out of human suffering."

A greater worry to the authorities is the proliferation of communist weapons being smuggled into the Republic.

In Mozambique a sack of ground maize buys an AK47 or a Tokarev pistol and two full magazines of ammunition.

"There are plenty of guns and bullets," a security police spokesman said, "but no food."

Just before Christmas last year a local farmer, Mr Lucas Marais, died in a hail of Kalashnikov bullets when he went out to check his generator.

#### Criminals

"The criminal element worries us most of all," said Lt Meyer.

Last year the South African authorities repatriated 17 529 Mozambicans caught running towards new hope.

"It is impossible to know exactly how many illegal immigrants there are," said Admiral R.A. Edwards of the Department of Foreign Affairs.

"These people obviously don't come forward to be counted, but we estimate there are about 150 000 illegal foreign workers in this country."

Food agencies reckon there are at least 35 000 Mozambican refugees in Gazankulu alone.

Gazankulu and Kangwane are seen as the land of milk and honey as the fugitives are welcomed and have been encouraged to stay.

As conflict between Frelimo and the Renamo rebels continues, the peasants are finding more and more pressure being applied.

"There are no clothes. There is no food in the shops and that which we grow is stolen by Renamo," said Jorge, a refugee from Gaza province.

"I came here because I am a man. I must work. I have to feed my children."

Jorge climbed the Lebombo mountains and then scrambled over the thin border fence. He was caught by the South African Defence Force after fording the swollen Komati River.

He was one of the lucky ones.

"Every week the bodies of drowned refugees are reported floating down the river back to Mozambique," said Lt Meyer.

"Some we are able to recover, but many we can't because of the crocs and hippos in the area.

"It's tragic to think that these people came looking for a new life and ended up being washed back to Mozambique as bloated, nameless corpses."

The journey to a new life is not an easy one. Large areas of the border along the Mozambique side are landmined and the South African Government is preparing to put up an electrified fence. Many of the refugees who take the route through the Kruger Park end up as food for the lions.

But for most the risks are worth it.

"We can't live there," said an old woman in her 70s. The trip had taken her and a party of more than 40 old men, women and children 10 days.

During that time they had little to eat and had to constantly dodge security force patrols.

Today she lives peacefully with her family in the Lillydale area of Gazankulu.

Horror stories abound.

"At first we were friends with Renamo. We gave them water and goats and chickens to eat," said Julius Ndlovu, 60, from Mapulanguene area near the Mozambique-South African border.

"But then they began stealing from us and raping our women. Those who tried to stop them were killed.

"I want to stay because here I can sleep. There is no war and we are not disturbed. There are schools for our children," he said.

The refugees are adamant they do not want to go back to Mozambique.

Officials say that many of the people caught making their way to Gazankulu, Johannesburg or KaNgwane have been caught numerous times.

"One man has been caught 14 times," said Mr Willie Heyneke, an official with the Department of Constitutional Development and Planning in Nelspruit.

People like Jorge are filled with terror at the prospect of being repatriated.

"I'll just keep on coming back," said Jorge, "but the next time I won't come over the mountain."

The authorities are obviously sympathetic towards the plight of the refugees. Medical treatment is given to those who require it and food and shelter is provided until they are repatriated.

/9317  
CSO: 3400/1734

MOZAMBIQUE

MILITARY REVOLUTIONARY TRIBUNAL ISSUES SENTENCES

MB191332 Maputo Domestic Service in Portuguese 1700 GMT 17 May 86

[Communique issued by the Military Revolutionary Tribunal in Maputo on 17 May 1986]

[Excerpts] The Military Revolutionary Tribunal [TMR] met in Maputo from 9 to 14 May to try defendants accused on crimes against the security of the people and the people's state. The following defendants were tried:

1. (Salvador Amos Ngovene) and Elias Mahlalea. At about 2100 on 10 January 1986, the defendants committed the crime of terrorism in neighboring Swaziland by murdering in cold blood a couple of peaceful nationals of that country, followed by a holdup. Victims (Msendela Assitilane and his wife Konchia Telane) lived in the Matsanjeni area of Lubombo. As a soldier, (Salvador) decided to wear his military uniform and carry his AKM weapon. Accompanied by Elias, he decided to illegally cross the border in order to achieve the goals that both eagerly planned. With the AKM weapon, they fired about 17 rounds at the victims who died immediately. Once the homicide was perpetrated, the defendants stole a number of goods belonging to the couple, namely rice, sugar, peanuts, soap, and a radio cassette recorder. Afterward and under the cover of darkness, they returned to the territory of the People's Republic of Mozambique. They were captured the day after they committed the crime, in possession of the stolen goods. They were subsequently identified by witnesses who recognized them, and confessed their own crimes.

Once these facts were proved right and in view of their seriousness, the tribunal decided to sentence both defendants to death.

2. Antonio Abilio Chirindza. He is a worker in South African mines. Having agreed to be recruited by elements linked to the conspiracy against the People's Republic of Mozambique, he left the mines and became actively involved with the bandits. He underwent military and reconnaissance training in South African territory. He was brought to Mozambican territory by the bandit leader in 1978, and reconnoitered a number of economic targets as well as reeducation centers and the Dundo Political and Military Training Center which was subsequently attacked and strafed by the enemy aircraft.

The defendant was detained in 1983 when he was carrying out a reconnaissance mission in Maputo, on the eve of his return to South Africa where he was to take information.

Once these facts were proved and in view of the seriousness of the consequences of the defendant's repeated actions to the country in terms of human and material losses, the tribunal decided to sentence him to death.

Alberto Macano, Antonio Manuel Gazite, and Jossias (Muai) Manhate. They are all armed bandits. They committed murders and terrorist actions against defenseless civilians. They ambushed vehicles, killed their occupants and plundered property of the people.

Once these facts were proved, the three defendants were sentenced to death.

4. Peter Nguila Che, also known as Joseph Ochieng Odawa. He is a 26-year-old Kenyan national. He was recruited in Nairobi in 1980, beginning a relevant career as a mercenary--soldier of fortune, [preceeding words in English] one who is capable of fighting, selling and dying for no cause other than money. He received military training in South Africa. He learned how to [words indistinct] military intelligence, international politics, topography, communications, and explosives. (He underwent judo) and karate courses for his self-defense. [words indistinct] worked directly for the Bureau of State Security and the Criminal Investigation Department with promises that in future he would receive large sums of money and a scholarship from a Western power. He studied the political and economic system of various countries in our region, and prepared dossiers and intelligence reports on [words indistinct] ideological and military situations.

In view of his high-level performance, which was clearly recognized by the bandit leaders, the defendant began to be taken either by helicopter or submarine to the territory of the People's Republic of Mozambique in order to carry out reconnaissance missions. Later on, he was assigned the task of joining the South African ANC refugees in Tanzania from where he would send information and espionage particulars. He was subsequently detained in Mozambique while intransit to South Africa.

Once these facts were proved, the tribunal considered the defendant as being the perpetrator of the crimes of membership of and collaboration with a clandestine organization, espionage, and mercenarism. He was thus sentenced to 30 years in jail, at the end of which the defendant will be expelled from the territory of the People's Republic of Mozambique.

5. (Carlos Alberto Patricio Stank) The accused decided to steal an AKM weapon from a soldier to avenge the death of his mother in a Tete provincial hospital due to deficient medical treatment. Armed and disguised, he assaulted a branch of the Bank of Mozambique in Moatize, where he stole 40,000 meticals. Some weeks later, he staged an armed robbery at the Bank of Mozambique branch in Tete where he stole 1,100,000 meticals. In

the ensuing fight with security forces he was wounded but managed to escape. He then got rid of his uniform and mask, and went to the hospital to receive treatment for his wounds, but he was arrested after confessing his crimes. The stolen money was recovered. Considering all aggravating and attenuating circumstances, the tribunal sentenced the accused to 25 years in jail.

6. (Augusto Unguene Goncalves), (Gilberto Armando Naiene), (Lourenco Matchanje Moiane), and (Francisco Manuel Timane). They joined the ranks of armed bandits where they received military training and committed several crimes in collaboration with enemy organization.

Augusto Goncalves [words indistinct] in a bandit camp. He played an important role in the planning and launching of operations against our people and the People's Republic of Mozambique, [words indistinct] in the sensitive telecommunications sector. The tribunal sentenced him to 20 years in jail.

Gilberto Naiene [sentence indistinct]. He committed terrorist actions but for unforeseen reasons the plan he was to carry out was aborted before it had even started. He was sentenced to 15 years in jail.

(Lourenco Moiane) and (Francisco Timane) they were sentenced to 12 and 8 years in jail respectively. They carried out reconnaissance missions of several economic targets in the Matoal region which were to be attacked later. They infiltrated the people's militias but were detected and neutralized. Several aggravating circumstances were proved against Moiane and that is why his sentence is heavier.

7. (Joaquim Jaime Zucula), (Orlando Venancio Massingue), and (Silva Ernesto Machel). They collaborated with the enemy groups [words indistinct]. (Joaquim Zucula) was sentenced to 6 years in jail, while (Orlando Massingue) and (Silva Machel) got 5 years in jail.

8. During this present session, the tribunal revealed that another four were to be tried for crimes of different nature. However, due to the fact that not enough evidence could be presented in court, the tribunal decided to postpone the trial of these four persons.

/9738

CSO: 3400/1798



MOZAMBIQUE

BRIEFS

EFFECTS OF DROUGHT IN INHAMBANE--More than 440,000 people in Mozambique's southern province of Inhambane are still facing the effects of the drought. The governor of the province, Pascoal Zandamela, has told Radio Mozambique that the affected people are in six of the province's six districts. [as heard] More than 1,000 are children whose parents have died of hunger or killed by the South African-backed armed bandits. Mr Zandamela said the provincial administration has approved a plan which will provide for an increased seed production in the cooperative, family and private farming sectors. He said another plan is to rehabilitate the animal breeding sector. Some work has already begun in companies and other areas. [Text] [Maputo in English to Southern Africa 1100 GMT 14 May 86] /9604

CSO: 3400/1739

NIGERIA

BILATERAL AGREEMENTS SIGNED WITH FORTY-ONE COUNTRIES

Kaduna NEW NIGERIAN in English 17 Apr 86 p 16

[Article by Omafume Amurun]

[Text]

**THE Federal Government has negotiated and signed bilateral economic co-operation agreements with 41 countries, Minister of National Planning, Dr. Kulu Idika Kulu, has said.**

He told a press briefing in Lagos that the countries were made up of 16 African, 16 European and nine Pacific nations and that more agreements were in the pipeline with sister African countries such as Sierra Leone, Chad, Zimbabwe and Republic of Congo.

The minister said these agreements were entered into primarily on economic and political considerations, such as the need for technical assistance for the implementation of national development plan, and the need to maintain the necessary political leverage in Nigeria's relations with other countries.

Under these agreements Dr. Kulu said, provisions were made for the establishment of joint commissions made up of representatives from the two sides, who meet annually to monitor the implementations of

the agreement, identification and removal of any difficulties which might arise, and where necessary, expand the scope of co-operation.

He disclosed that Nigeria had received 513 technical training awards from some countries who had not formalised economic co-operation agreement with it.

The minister said that within the next 12 months, his ministry would hold 16 joint economic commission meetings with Niger Republic, Ghana, Gabon, Senegal, France, Cameroun, Canada, Poland, U.S.A., German Democratic Republic, India, Portugal, Greece and Tunisia.

He explained that the main thrust of the meeting would be to seek assistance from countries in the area of supply of experts, equipment, provision of training facilities, credit line for the priority sectors of the economy identified by government.

According to him, examples of benefits of the joint commission agreements included the completion by China, of the construction of 36 boreholes for the Chad Basin Development Authority in Borno State and technical assistance to Lagos State Government on the Itoikin rice projects.

The minister said also that the South Korean government had offered to train 17 Nigerians in various fields of agriculture while the Brazilian government had offered to beef-up training facilities available to civil aviation personnel in Nigeria.

/12828

CSO: 3400/1768

NIGERIA

DAILY CALLS FOR HALT TO GOVERNMENT PILGRIMAGE SUPPORT

Enugu DAILY STAR in English 23 Apr 86 p 3

[Editorial]

[Text]

**G**OVERNMENT is said to have approved the same number as it did last year to go and "pray" on pilgrimage in the Middle-East, and this is 71,400.

AND the social and cultural committee of the All-Nigeria Conference on Foreign Policy just ended in Kuru was reported to have recommended that the federal government should continue to sponsor pilgrimages till the year 2,000!

THIS is very unpatriotic, to say the least. We are aware of the argument by Muslims that pilgrimage is, to them, an obligation especially those who can afford it. The Christians, not to be outdone, are bent on increasing their own pilgrims, arguing that it is necessary for spiritual upliftment.

WE do not dispute these. What we say is that Mohammed or Christ did not say that a government should sponsor the pilgrimages, as is being done in Nigeria.

WE endorse that if a Muslim or a Christian privately generates foreign exchange, he should be free to use it as he deems fit, be it on pilgrimage or a holiday abroad.

MAY we remind both the government and the proponents of continued government involvement in pilgrimages that Islam and Christianity are not the only religions in Nigeria. There are several indigenous religions in Nigeria and there are free thinkers. Muslims and Christians may be in the majority and may be in power, but the constitution provides that the interests of the minority must be protected.

**NIGERIA is in an economic emergency declared by President Ibrahim Babangida and Nigerians are making all kinds of sacrifice. Millions of Nigerians, including graduates, teachers, nurses are unemployed and cannot afford a meal in a day. Many industries are still being shut down while some merely exist. All these because of lack of foreign exchange.**

**AND Nigeria is engrossed in protracted negotiations with foreign creditors over the possibility of rescheduling the payment of its debts and reopening credit lines, without mortgaging the country to any foreign power through the International Monetary Fund.**

**IT is in the midst of these that the world, including our creditors, will watch Nigeria spend nearly \$17 million in foreign exchange to enable citizens "pray" in the Middle-East.**

**WE would have thought that the poor state of the economy and the general suffering of the populace were enough worry for the country now, but this issue of pilgrimage seems to prove us wrong.**

**WE advise the administration to hands-off religious pilgrimages. The pilgrims boards should be dissolved. Anybody who insists on pilgrimages should be prepared to provide the foreign exchange he needs and arrange his own trip.**

**AND the federal government should stop sponsoring pilgrimages because it is unconstitutional to do so and unfair to give to some the foreign exchange which belongs to all.**

/9317

CSO: 3400/1767

NIGERIA

STATE WORKERS REJECT MOVES TO CUT SALARIES

Benue Civil Servants Strike

Kaduna NEW NIGERIAN in English 18 Apr 86 p 1, 3

[Article by Daniel Tifato]

[Text] **CIVIL servants in Benue State went on an indefinite strike action yesterday following government decision to stop paying them their housing, transport and overtime allowances.**

When the *New Nigerian* went round state ministries, parastatals and departments, most of the offices were shut. A few workers, especially secretaries and assistants to commissioners, permanent secretaries and department heads, were seen in their offices.

At Government House, the situation was calm. Although a few civil servants there joined their colleagues in the strike action, others travelled out with the governor on a tour of

Okpoku Local Government.

The strike action has paralysed most government activities in the state. The state-owned radio station and water corporation have suspended their services.

On Wednesday, the Commissioner for Internal Affairs, Information and Social Development, Mr. David Attah, had urged civil servants not to go on the strike because "the state executive council of the Nigeria Labour Congress (NLC) has turned deaf ears to wise counsel and was bent on frustrating the development programmes of the state government.

He hinted that there was evidence to show that some people were conniving with the NLC leadership in the state to destabilize the government, and warned that anyone who failed to report for work should consider himself

automatically retrenched.

He repeated government commitment to suspend the allowances as a better option to retrenchment.

Mr. Attah added that "activities of certain persons who specialized in sponsoring anonymous petitions, leakage of official secrets and incitement of workers and professional groups, were well-known to government.

They are warned in their interest to desist from these despicable activities or they should have themselves to

blame."

State chairman of NLC, Mr. Joseph Orkar, said the assertion by government that the congress leadership was trying to sabotage it was false.

He said all along the NLC had tried to negotiate with government without any favourable response.

Mr. Orkar said the NLC was ready to sit and discuss all the issues involved with government before calling off the strike, adding that workers would also want to know specifically how long the suspension of allowances would last.



### Bauchi Workers Ask State To Forgo Cuts

Lagos DAILY TIMES in English 24 Apr 86 p 12

[Text] The Bauchi State wing of the Nigeria Labour Congress has called on the state government not to cut workers' salaries.

In a statement issued in Bauchi on April 22 and signed by the union's state chairman, Malam Abdullahi Shehu, the congress said in view of the stringent economic and social conditions of workers, brought about by endless levies, deductions and salary cuts, it was morally objectionable for government to effect further cuts in salaries.

The union's position was made known after the meeting it held with a government sub-committee on the state industrial development appeal fund.

The congress insisted that "it is morally wrong for the state government to effect any further salary cuts in respect of the forthcoming state industrial development appeal fund".

Congress, however, called on workers to turn out enmass and voluntarily donate generously within their capabilities to the development fund scheduled for May 3.

Workers, the congress said were never opposed to the development of the state in whatever form, but said they were only opposed to arbitrary cuts in salaries despite the uncontrolled inflation sweeping across the nation.

In another development the central working committee (CWC) of the Nigeria Labour Congress has ratified the temporary suspension of the strike action embarked upon by civil servants in Benue State.

### Imo Workers Reject State Cuts

Lagos DAILY TIMES in English 19 Apr 86 p 2

[Text] The Imo State council or Civil Service Technical Workers Union of Nigeria has rejected the move by the Imo State Government to further reduce the salaries, fringe benefits and allowances of workers.

The union has therefore, supported any action taken by industrial unions in the state to resist the proposed government action.

This is contained in a 14 point resolution the union adopted at its special conference in Owerri on April 16.

The union further called on the state government to restore free medical services to the workers and their families. It argued that workers could no longer pay hospital dues because of various types of cuts from their salaries.

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It called on the government to review the present system of tax collection to ensure that privileged citizens who now evade tax payments were made to pay tax promptly and adequately.

On the direct labour policy of executing government projects, the union said it would assist to further the objectives of the policy only if the government provided adequate materials.

#### Benue Workers Resume Duties

Kaduna NEW NIGERIAN in English 23 Apr 86 p 16

[Text]

CIVIL servants in Benue State have resumed normal duties after being on strike for three days over a proposed withdrawal of certain fringe benefits by the state government.

Although there has been no further directive from the state council of the NLC since it called the workers on strike, some of the workers said they went back to work following the government's pronouncement on fringe benefits.

The State Governor, Group Capt. Jonah Jang, had said on Saturday that the government was deferring the withdrawal of fringe benefits for "at least three months" following negotiations with its creditors to reschedule its debts.

Workers at the general hospital, Makurdi where the effect of the strike had been felt most by patients, resumed normal duties on Monday morning.

Teachers in primary and post-primary institutions also turned out as schools reopened for the third term yesterday.

The state chairman of the NLC, Mr. Joseph Orkar, was not available for comments.

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CSO: 3400/1773

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## NIGERIA

## FOREIGN FIRMS CONTRACT WITH COAL CORPORATION

Enugu DAILY STAR in English 18 Apr 86 p 1

[Article by Cyprian Madu]

[Text] THE Nigerian Coal Corporation, Enugu has entered into contract agreement with two foreign investors for the mining and marketing of its coal.

The latest development was sequel to the failure of full mechanisation of the industry to which it had spent over N18 million but recorded no success.

Under the agreement, the *Italco* and *Avil Services* — an Italian consortium based in Jos was to mine and sell 2.5 million tonnes of coal for the first 12 months from Benue coal fields while an American company — the *KC International* incorporated was expected to mine and sell .5 million tonnes of coal annually for export.

An authoritative source told the *Daily Star* that this latest catch was the result of its current drive to boost the corporation's export

earnings with a view to meeting up its overhead cost and other incidentals.

In the case of the Italian consortium, it was gathered that the company would utilise about 50 per cent of the corporation's workforce at Onwukpa coal field in Benue State.

It is also said to have promised to absorb the rest of the workers as soon as the sophisticated equipment meant for mass production arrives from Italy.

The *KC International*, on the other hand, was said to have agreed to absorb part of the workforce of the corporation pending the time its out-put would increase.

But in all, the involvement of expatriate mining firms in the Benue coal field of the corporation did not imply that the workers of the coal industry in that zone would automatically lose their jobs.

For informed sources in the corporation told our reporter that workers not absorbed by the foreign firms would continue to be on its payroll.

It was also learnt that the two firms have agreed to supply coal products to the corporation whenever it demands it, and that the corporation would be paid in dollars in respect of its products sold abroad while the ones produced and sold locally would be paid in naira.

/12828

CSO: 3400/1768

NIGERIA

## MARKET SURVEY REVEALS SOARING PRICES IN JOS

Enugu DAILY STAR in English 23 Apr 86 p 1

[Article by Obi Udefuna]

[Text]

**P**RICES of staple food items in Jos, Plateau State, have gone up within the past two months, our market survey has shown.

Commodities whose prices are soaring include, milk, sugar, toilet soap, bar soap, baby food and frozen fish.

Staple food like yam, rice, garri and meat are also showing sharp increases in price.

Traders interviewed at the new Bukuru and old Bukuru markets in Jos metropolis attributed the escalating increase in prices of essential commodities to mass export of these goods to neighbouring countries, most of which Nigeria does not benefit from.

Our survey further showed that biscuits which used to serve as alternative to bread which had gone out completely from the market for about three months now, are not easy to come by as their prices are astronomically sky-rocketing beyond the reach of the average people.

Bournvita, ovaltine, bourn cave and other beverages are also known to have been in the convoy of goods recording unprecedented high increase in prices.

Meanwhile, many households have resorted to pap, fried yam, plantain, and rice for break fast.

DAILY STAR survey also revealed that most families whose wards go to nursery schools with tea, bread and biscuits are now compelled to fill their children's flasks with soft drinks as substitutes for tea.

Our survey further showed that pieces of meat which sold at N1, N2, N3, N4, N5 about four months ago are now sold at N3, N5, N6 and N8 respectively.

Added to this is the dramatic disappearance of frozen fish from the market, and the sellers of the item have pulled out of the business in search of other jobs.

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CSO: 3400/1767

NIGERIA

LACK OF PESTICIDES THREATENS COCOA PRODUCTION, EARNINGS

Enugu DAILY STAR in English 18 Apr 86 p 16

[Article by Chris Ogbaekirigwe]

[Text]

**N**IGERIA's foreign exchange earnings from this year's cocoa export is very shaky and her desire to de-emphasize its sole dependence on petroleum which is the country's major foreign reserve yielder, may be affected.

This is because the Nigerian Cocoa Board (NCB) which caters for all cocoa-producing areas in the country, has not been able to secure this year's import licence with which to buy pesticides from abroad.

Also willing cocoa farmers are sitting precariously on the fence watching as their crops are being threatened by pests, especially the malignant black pod, which does not spare cocoa seeds.

My findings in Ibadan show that there are up to 18 different types of chemicals that have to be purchased and mixed together to form a compound mixture for use by farmers.

Some of the chemicals: copper sulphate, hydrated lime, terenox and caocobre sandoz, among others.

Investigations revealed that cocoa trees require constant care, right from the nursery to full growth and the care is mainly based on the use of spraying chemicals as mentioned above.

In the nursery, a special chemical has to be applied to prevent the buds from being stunted by pests. "At the approach of every rainy season, they have to be sprayed and, also every flowering season", said a competent authority in the cocoa board.

Now is just the right time to spray these cocoa trees, but unfortunately, the chemicals are nowhere to be seen, because of the import licence palaver, a situation which Mr Dele Salami of Ilesha described to the *Daily Star* as "very dangerous".

The *Star* visited other cocoa-producing areas in Oyo State, like Ile-Ife, Modakeke, Gbogan, Eketumodu, among others, and farmers expressed the same gloom over this year's cocoa yield.

Said Mr Tajudeen Olukoya of Gbogan: "I learnt cocoa farming from my late father, and, since my childhood, I have been in the business. This present lack of chemicals to save my cocoa farm from the menace of pests, could be the beginning of the end of my livelihood."

The NCB whose offices are located in the Capital Building, Ring Road, Ibadan, is not particularly happy over this issue as farmers have continued to besiege the board, demanding their annual allocation of spraying chemicals.

The chemicals are all imported, either directly by NCB or through its numerous agents, according to the board's principal public relations officer, Mr Kunle Ogunleye.

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CSO: 3400/1768



NIGERIA

KANO AIRFORCE SCHOOL TO BE EXPANDED

Kano THE TRIUMPH in English 17 Apr 86 p 6

[Article by Sani L. Abdullah]

[Text]

ONE of the oldest Airforce base in the country the 303 Flight Training School in Kano is going to be expanded, the Chief of Air Staff, Air Vice-Marshal Ibrahim Alfa disclosed yesterday.

The Chief of Air Staff who was speaking during a courtesy call on the Kano State Governor, Colonel Ahmad Mohammad Daku said very soon the relevant equipments for the expansion will be delivered.

Air Vice-Marshal, Ibrahim Alfa said, Kano as a border state needs to have a reliable Air base to serve the expected purpose of an Airforce Camp. He said the major function of the Airforce base is to ensure that no

security threat enters the country unchecked.

The Chief of Air Staff also commended the people of Kano for their long lasting patience to the activities of the old Airforce base. Speaking, Colonel Ahmad Daku described the visit as very vital to acquaint the Chief of Air Staff with the fields. The Governor also notice the importance of the 303 Flight Training School as most of Nigeria's most senior Airforce personnel passed through it.

Governor Ahmad Daku expressed delight over the benefit Kano state has been deriving from the Airforce location and promised to give all the required co-operation to the school.

/9317

CSO: 3400/1767

11 June 1986

## TANZANIA

## COMMUNIQUE WITH RWANDA STRENGTHENS COOPERATION

Dar es Salaam DAILY NEWS in English 3 May 86 p 1

## [Text]

TANZANIA and Rwanda have expressed satisfaction over their co-operation in the transport and communications sectors.

A communique issued in Dar es Salaam yesterday at the end of a three-day visit of the Rwandese Minister for Foreign Affairs and Co-operation, Ndugu Francois Ngarukiyintwali, urged both sides to strengthen the existing co-operation and explore more

avenues for joint action.

The communique, signed by Ndugu Ngarukiyintwali, and the Minister for Foreign Affairs, Ndugu Benjamin Mkapa, reaffirmed "strong desire" by the two countries to enhance regional organisations such as the Kagera Basin Organisation, the Preferential Trade Area and the Economic Community of the Great Lakes.

Stronger regional institutions would improve the socio-economic status of their members while serving as "models of South-South Co-operation," the communique said.

It welcomed the forthcoming United Nations special session on Africa with the hope that it would persuade the international community to give material support for the Continent's economic recovery.

The two ministers emphasised the importance of peace and security to the success of efforts by developing countries to preserve political independence and promote economic independence.

The communique called for the unconditional release of Nelson Mandela and other political prisoners in South African jails and reiterated the ministers' "solidarity and commitment to the total eradication of (the South African apartheid) system."

They called for increased

international support for the nationalist freedom movements struggling to liberate Namibia and South Africa.

The communique rejected delaying tactics being employed by the United States through the apartheid regime to retard the process of Namibia's independence under the United Nations plan.

While in the country, Ndugu Ngarukiyintwali, who left for home yesterday, had audiences with President Mwinyi, Prime Minister and First Vice-President Joseph Warioba, Zanzibar President Idris Abdul Wakil and the Deputy Prime Minister and Minister for Defence and National Service, Ndugu Salim Ahmed Salim.

/9274

CSO: 3400/1791

## TANZANIA

## GOVERNMENT TO INCREASE SPENDING FOR 1986/87 BUDGET

Dar es Salaam DAILY NEWS in English 6 May 86 pp 1, 3

[Article by Mkumbwa Ally]

## [Text]

THE GOVERNMENT proposes to spend 31,470 million/- for the 1986/87 recurrent and development budgets — an increase of about eight billion/- over the current estimates.

The National Consultative Economic and Planning Council was told in Dar es Salaam yesterday that 25,003 million/- will go to the recurrent budget while 6,467 million/- is being earmarked for development projects.

The Minister for Finance, Economic Affairs and Planning, Ndugu Cleopa Msuya, told the council, chaired by Prime Minister and First Vice-President Ndugu Joseph Warioba, that the 1986/87 Development Plan would give priority to agriculture, communications and industry.

He said the agricultural sector was being allocated 24 per cent of the development budget.

It is proposed that 42.9 per cent of the budget should go to the productive sectors, 25.7 per cent to the economic sector and 19.5 per cent to social services.

The proposed development budget is smaller than the 1985/86 estimates of 6,828 million/-, of which 3,424 million/- is to come from external sources in grants and loans.

Ndugu Msuya said, apart from putting a major thrust on agriculture, the 1986/87 plan would emphasize five other areas. These are:

- reduction in the increase of the rate of money supply;

- control of project implementation to balance the financial and physical performance;
- imposition of curbs on the escalation of inflation;
- ensuring productive work for all the promotion of national efforts at self-reliance on the basis of people and the land, and
- narrowing of the gap between government revenue and expenditure.

He told the council that statistical trends indicated more revenue would be collected than estimated under the 1985/86 recurrent budget.

However, actual expenditure was expected at 25,530 million/- compared to the original estimates of 23,360 million/-.

Ndugu Msuya said expenditure in excess of budget was mainly caused by poor control of government expenditure.

Under the 1986/87 plan efforts would be made to provide agricultural inputs in time. In industry, increased capacity utilization for industries servicing agriculture directly such as the fertilizer, farm implements and tyre plants would get priority.

Trunk and feeder roads would be improved in the communications sector in addition to rehabilitation and procurement of vehicles and rolling stock for crop haulage.

The minister said 21 projects, worth 1,330.7 million/-, had been submitted to the government by private entrepreneurs under the 1986/87 plan and 17 of them costing 1,098.3 million/- were already approved. The rest was still under scrutiny.

Ndugu Msuya said the government proposed to spend 371.8 million or 5.7 per cent of the next development budget on the development of technology and research.

Most of the money would go to

activities contributing directly to the development of agriculture and livestock, he explained.

Opening the session earlier, Ndugu Warioba stressed the central position of agriculture in national plans. He invited council members to discuss the 1986/87 plan on the basis of its contribution to the sector.

Plans for all other sectors must aim at ensuring timely and smooth provision of agricultural implements and inputs for increased food and cash crop production; prompt collection, movement and storage of produce, and processing of farm products as required.

Ndugu Warioba also challenged MPs and other members of the council to give maximum publicity to the national development planning activities which, he said, were little known to most Tanzanians.

He urged MPs to publicise national plans in their constituencies, public institutions and mass organisations to facilitate smooth implementation.

"Proper communication between planners, implementors of the plans and the general public has the advantage of striking better plans...." the Prime Minister said.

The council yesterday afternoon was reorganised into five committees for resources and investment, production, economic services, social and administrative services and regional plans to deliberate on the proposed plan.

The working committees will continue today. They are scheduled to summarise their discussions tomorrow morning and report to the winding up plenary session of the council in the afternoon.

Deliberations of the Consultative Committee will be channelled to the Inter-Ministerial Technical Committee comprising Principal Secretaries for refining before the plan is submitted to the Cabinet for final decisions.

TANZANIA

COMMUNICATIONS, TRANSPORT, AGRICULTURE PRIORITIES IN DEVELOPMENT

Dar es Salaam DAILY NEWS in English 3 May 86 p 1

[Article by James Mwakisyala]

[Text]

THE communications and transport sector will receive second priority after agriculture in the national development strategy of the Second Phase Government.

The Minister for Communications and Works, Ndugu Mustafa Nyang'anyi, said in Dar es Salaam yesterday a loan of about 5,830m/- (325 million US dollars) from an unnamed donor, will be directed at revamping the Tanzania Posts and Telecommunications Corporation (TPTC) and the railway system.

Spare parts for telecommunications services and vehicles will be among equipment to be provided under the programme.

Ndugu Nyang'anyi said this in a question-and-answer session with delegates of the TPTC Master Workers' Council at Kunduchi Fisheries College where he opened a two-day meeting for about 80 people representing the TPTC's management and employees.

He was responding to a concern expressed by many Council delegates that the TPTC was being ignored by the Government in allocation of assistance to sustain its services which they described as "very vital to the

development of the country."

The Minister said the Government's move was in the realisation of the fact that most farming activities in Tanzania concentrated on the border areas and that there was need to have smooth communications to enhance crop production, haulage and monitoring of food outputs.

Ndugu Nyang'anyi stressed; "The communications sector is necessary and sensitive because it touches on every one, in rural and urban areas, but is difficult to administer".

However, he expressed pleasure at the progress in spreading telephone services, saying today most districts were reached by telephone.

He said already the Mwanza-Bukoba-Biharamulo and Kigoma link, being carried out by the Pan-African Telecommunications (Panafel), was undergoing testing and some people were receiving the telephone services. The Dodoma to Mwanza line is ready.

Telephone links with neighbouring countries were also being established rapidly, he added.

Ndugu Nyang'anyi, however, castigated "unnecessary" bureaucracy on selfish and non-confident leaders who feared to delegate responsibilities to junior officers.

He said leaders must learn to delegate power to their juniors because they (the juniors) were the ones who

would later take over the reigns of power.

Commenting on complaints about the Presidential Standing Committee on Parastatal Organisations (SCOPO) which some delegates blamed for "killing" motivation at work, he said that was not true.

However, in the Minister's own opinion, SCOPO had a purpose but, it had to add more responsibilities to its tasks.

He said instead of merely refusing to agree with parastatal proposals, it should become a management consultancy, suggesting alternative steps.

Clarifying on motivation at working places, the Minister said motivation need not necessarily be monetary. Parastatals should instead explore various other ways such as organise tours to game parks for best workers, promotions, training, lunch or provision of gifts.

The Minister called on TPTC employees to take their jobs seriously and check indiscipline, stressing that "if the drive to work and discipline is high among workers, I believe that telephones would have been in order."

He said workers should desist from cheating such as was the case with certain telephone operators who billed telephone subscribers for calls they did not make.

The Workers Council will, among other things, discuss next year's budget.

/9274

CSO: 3400/1791

TANZANIA

ZANZIBAR PROBES CASH LOSSES OF CIVIL SERVANTS

Dar es Salaam DAILY NEWS in English 3 May 86 p 1

[Article by Abdallah Yakuti]

[Text]

CIVIL Servants in Zanzibar who own houses, vehicles and other luxuries, are to be asked to account to the Isles Anti-corruption Squad on how they acquired the wealth, the Zanzibar Chief Minister, Ndugu Seif Shariff Hamad, said here yesterday.

This follows a loss of 600m/- incurred by Government institutions during 1983/84.

He said at present, the Government was investigating cash and inventory losses in Isles public institutions to determine which officials were responsible.

The Government was certain that some of the cash stolen from the state was used by the culprits to amass personal property, he said.

He said at present, the Government was investigating cash and inventory losses in Isles public institutions to determine which officials were responsible.

The Government was certain that some of the cash stolen from the state was used by the culprits to amass personal property, he said.

Ndugu Hamad was addressing leaders of the five mass organisations here after they had presented him with a joint declaration in support of moves to crack down on indiscipline. He said those who would give satisfactory sources of revenue would be spared.

"But those failing to account for their wealth, will be retired and taken to court", he

explained.

The Chief Minister was cheered when he said the crackdown on officials who misappropriated public funds would also encompass Union Government institutions operating in Zanzibar.

"When we are satisfied that there exist criminal activities in any of these departments, the Zanzibar Government will investigate and furnish the Union Government with details for appropriate action.

"We shall also ask for the transfer of such criminals to the Mainland," Ndugu Hamad said.

Giving a breakdown of cash and property losses in Zanzibar Government institutions during the 1983/84 financial year, the Chief Minister said the losses amounted to a staggering 600m/-.

During the year, he said, the Zanzibar Auditor General reported a loss of 20m/- in foreign exchange in one parastatal here.

Accounts without supporting documents caused another loss of 33m/- in another parastatal during the year.

He further explained that office inventory, stores and produce handled by state institutions worth 123m/- could not be accounted for in that year, while 187m/- in cash transactions between public institutions here could not be traced.

He said due to failure to make follow-up on debts collection from customers, one parastatal lost 172m/- between July 1983 and June 1984.

The Chief Minister attributed the losses to irresponsible accounting officers in ministries, Government departments and parastatals for failure to supervise expenditures and revenue collection thereby giving

room to unscrupulous officials under them to misappropriate funds, property and goods.

Lack of competent internal auditors and stock verifiers also contributed to the problem.

In some cases he said, the management colluded with suppliers and contractors in swindling organisations they were supposed to head.

He said as a result of the shortcomings, big parastatals such as the Zanzibar State Trading Corporation (ZSTC), Zanzibar Wharfage and the Zanzibar Shipping and Agencies Corporation had huge business turnovers, but their annual financial accounts still recorded losses because a large part of revenue generated went to build private places.

Ndugu Hamad also condemned some ZSTC workers who, apart from stealing from the Corporation, also cheated peasants when buying crops from them.

He said through under-weighting crops thereby paying growers less money, they were able to pocket millions of shillings each season.

"No wonder at the end of each clove buying season, junior ZSTC clerks could be seen driving in posh cars, erecting storeyed houses or buying videos while growers who had laboured for years to raise crops cannot afford even a bicycle," he pointed out.

Ndugu Hamad assured the mass organisation leaders that the Government would leave no stone unturned until it netted all culprits and that honest and hard working employees need not worry of the cleaning exercise.

The joint declaration by JUWATA, VIJANA, UMWI, WAZAZI and WASHIRIKA hailed the Zanzibar Government and the Chief Minister in particular for initiating the exercise, stressing that the organisations would co-operate fully in exposing bad elements.



TANZANIA

EXTERNAL ASSISTANCE NEEDED FOR ECONOMIC RECOVERY

Dar es Salaam DAILY NEWS in English 6 May 86 pp 1, 3

[Text]

THE Government estimates it will require 67.2bn/- (3.7 billion US dollars) in foreign exchange to import essential inputs for economic recovery during the next three years.

The Minister for Finance, Economic Affairs and Planning, Ndugu Cleopa Msuya, told the National Consultative Economic and Planning Council in Dar es Salaam yesterday that 21.6bn/- (1.2 billion US dollars) was needed to finance 1986/87 imports.

The Government was negotiating external assistance to raise the amount which must be injected to stabilize the economy. Internally, the situation called for increased exports and curtailment of foreign exchange utilization. Ndugu Msuya explained.

He was presenting the 1985/86 economic survey and an outline of proposals for the 1986/87 development plan to the Consultative Council, which began a three-day session yesterday under Prime Minister and First Vice-President Joseph Warioba.

The Minister said the new three-year economic recovery plan was based on the objectives of the Structural Adjustment Plan (SAP) whose implementation ended last June, but which largely fell short of target.

SAP was supposed to lift the economy to the levels prior to 1978/79 and set it on a growth course. But Ndugu Msuya explained that this target was defeated by the Plan's over-

dependence on external assistance, which was not forthcoming.

This led to a general decline in production in many sectors, causing an acute shortage of commodities and public services.

Ndugu Msuya said the government's immediate objective in the on-going negotiations with international financial institutions was to scoop a short-term credit facility which, given good plans and strict implementation, would bring the economy to the ready position for future growth.

He stressed, however, that the long-term solution to the economic problems lay in increased production for both the domestic and export markets, and reduced foreign exchange expenditure through utilization of local resources to substitute imports.

The Minister told the Council comprising all Members of Parliament and representatives of JUWATA, WASHIRIKA, the Tanzania Association of Parastatal Organisations (TAPO) and Chambers of Commerce, that the country's balance of payments position remained poor last year.

He said export earnings declined to 5.8bn/- (327 million US dollars) from 6.6bn/- (368.9 million US dollars) in 1984 while imports increased to 17.7bn/- (988 million dollars) from 17.6bn/- (980 million dollars), respectively.

Some 2.1bn/- (120 million dollars) worth of goods were imported under the liberalisation scheme last year, but these were mainly consumer items and not inputs for production.

Ndugu Msuya attributed the fall in export earnings to reduced exports and lower world market prices for cash crops.

Last year's exports with the 1984 figures in brackets were coffee — 39,000 tonnes (55,000); sisal —

11,000 tonnes (12,000); cashewnuts — 26,000 tonnes (33,000) and diamond — 56,000 grammes (70,000).

Cotton price fell from 26,152/- per tonne in 1984 to 17,000/- last year while tea fetched 30,761/- instead of 32,318/- for each tonne.

The Minister said efforts must be made to boost exports to raise the country's ability to pay for imports, which gauged at a meagre 33.1 per cent of last year's imports. The Government was able to meet 62 per cent of annual imports in 1977.

The result of the government's waning capacity to meet external financial obligations has been a growing external debt currently resting at the 13bn/- (750 million US dollars) mark.

Ndugu Msuya also pointed to a decline in the growth rate of the Gross Domestic Product (GDP), which stood at 2.5 per cent in 1984. A slightly lower percentage was envisaged last year because of reduced cash crop production.

However, food production registered a heartening rise over the 161,200 tonnes collected in 1984/85. The National Milling Corporation bought 259,000 tonnes of food by last February.

The Minister said the decline in GDP last year was caused by unsatisfactory performance in many productive sectors. The recorded growth was in fact supported by administrative rather than directly productive sectors.

He told the Council that the inflation rate caused by persistent shortages of commodities and services, was held down at 25 per cent last year, compared to 36.1 per cent in 1984.

But the Minister stressed that this did not mean actual reduction in prices. "What is reduced here is the escalation rate; our prices remain very high as we all know", he explained.

He said the target was to nurture the downward trend to balance the inflation rate with other economic parameters and bring relief to the common man.

TANZANIA

INDUSTRIAL CAPACITY TO BE RAISED UNDER RECOVERY PLAN

Dar es Salaam DAILY NEWS in English 8 May 86 p 1

[Text]

INDUSTRIAL capacity utilization will be raised to 60 per cent and cash crop exports increased at the rate of nine per cent annually beginning 1986/87 under the three-year economic recovery plan estimated to cost 67.2bn/- (3.7million US dollars) in foreign exchange.

The plan, on which the 1986/87 development budget is based, also aims at boosting food production to attain self-sufficiency.

The economic recovery plan is among the documents before the National Consultative Economic and Planning Council, which ends a four-day session on the 1986/87 budget and annual plan in Dar es Salaam today.

The recovery plan is designed to promote agricultural production; rehabilitate the physical infrastructure to improve directly productive activities; increase industrial capacity utilization and to restore internal and external balances in the economy.

Under the plan, 2.5bn/- (143 million dollars) is required for investment in agriculture to expand food and cash crop production. Special "(cash) crop packages" are expected to effect a nine per cent average annual growth on exports.

A further 1.1bn/- (63.2 million dollars) would be spent to rehabilitate agriculture while 7.6bn/- (427 million dollars) is estimated for the importation of agricultural implements and inputs annually.

A 2.2bn/- (123million dollars) investment is planned for industry to raise capacity production from the average of 20 to 30 per cent to at least 60 per cent.

Rehabilitation of existing

industries, which is expected to be completed in the first year of the plan, would require 673.2m/- (37.4 million dollars) while annual imports of raw materials, spare parts and other industrial inputs are projected to consume 3.2bn/- (178 million dollars).

Proposed investment in communications amounts to 4.2bn/- (237.2 million dollars) and will cover construction of roads, wharfs, godowns and provision of airport navigation aids.

Rehabilitation of the sector, including construction equipment, workshops and other facilities would claim one billion/- (56.7million dollars) under the plan, which has earmarked 6.6bn/- (370 million dollars) for the importation of spare parts and other services for the sector.

It is estimated that 21.5bn/- (1200 million dollars) of the total foreign exchange injection required for the plan would be needed in 1986/87; 23.4bn/- (1300 million dollars) in 1987/88 and 22.2bn/- (1235million dollars) in 1988/89.

Macro-economic policies for many sectors would be rationalised under the plan to provide the necessary incentives to implementing agencies to ensure its success.

Producer price review systems developed under the Structural Adjustment Plan (SAP) would be applied. Under the system, producers would get a five per cent real increase in prices annually or 70 per cent of world market crop prices, depending on which was greater.

The exchange rate of the shilling will be reviewed constantly in relation to the basket of currencies guiding the country's international transactions to ensure optimal returns from exports.

The plan stresses cuts on government spending to match expenditure with revenue and hold down the rate of money supply.

Meanwhile, the proposed 1986/87 government budget at 31.470m/- is an increase of about one billion/- and not eight billion/- over the 1985/86 estimates as reported in the Daily News on Tuesday. The current budget is estimated at 30.188m/-.

/9274

CSO: 3400/1790

**TANZANIA**

**BRIEFS**

**CENSUS PREPARATIONS UNDERWAY**—Preparations are underway for the third post-independence national census in August, 1988, ten years after the last census. According to the Government Statistician in the Ministry of Finance, Economic Affairs and Planning, Ndugu M. K. Mbalilaki, the major goal of the next census will be to achieve accuracy in the data and timeliness in making the results available for use, Maselezo reported. A circular has been issued to all government departments, parastatals and other institutions requesting their comments on suggestions put forward by the Bureau of Statistics for a programme which has been drawn up as part of a data processing plan. The proposal programme includes a list of items which would form part of the enumeration questionnaire. Government departments and other institutions have been asked to examine the draft programme taking into consideration their data needs as well as those required for planning and public use in general. It is expected that members of the public and institutions will give views and suggestions which will try to answer problems of data users. The deadline for such suggestions is June 30, this year. According to the circular, a paper has been prepared with proposals on the type of topics and tables to be used with the aim of achieving accurate and comprehensive statistical information about composition of the population, social and economic characteristics and the housing situation. The topics, to be collected in the census, will be determined upon a balanced consideration of the national needs, historical continuity, international comparability, availability of resources and unit of enumeration and analysis. In the proposals, the Bureau of Statistics has drawn up tabulations suggested for the 1988 census. The 1978 National Population Census put the country's population at 17.5 million, growing at the rate of 3.3 percent annually, which would put it at over 21 million people now. [Text] [Dar es Salaam DAILY NEWS in English 6 May 86 pp 1, 3] /9274

**LOAN TO IMPROVE MINING**—The Tanzania Investment Bank (TIB) has agreed in principle to extend a 70m/- loan to the Williamson Diamond Mines at Mvadu, in Shinyanga district, the mines newsletter, Mvadu has said. The newsletter said the loan, to be used for procuring capital equipment and machinery, spare parts and other accessories to facilitate maintenance, is expected to improve mining. The Acting Chairman of the TIB Board of Directors, Ndugu Bob Makani, said after a Board meeting on March 19 that arrangements to obtain the loan had been finalized. The funds would be utilised by the company immediately after they were procured, he added. Ndugu Makani, who is also the Deputy Governor of the Bank of Tanzania, said that mining last year was affected by numerous

problems making it difficult for the mines to attain its set production targets. He singled out lack of funds and low price of diamonds as the main problems that affected mining last year. [Text] [Dar es Salaam DAILY NEWS in English 25 Apr 86 p 1] /9274

CSO: 3400/1790

**ZAMBIA**

**JAPANESE AID ALLOCATION DETAILED**

Lusaka ZAMBIA DAILY MAIL in English 15 Apr 86 p 3

[Text] Japan's grant aid to Zambia amounted close to 20 million United States dollars last year, counsellor at the Japanese Embassy in Lusaka, Mr Yoshinori Imagawa said at the weekend.

Mr Imagawa said his country decided to give Zambia the amount to assist in the country's development programmes in view of the difficult economic problems Zambia was going through.

Most of the money was given for projects while the rest was taken up by a commodity aid and through the finance of technical assistance.

Total project funds amounted close to 10 million dollars.

About 3.5 million dollars of the amount went for the ground water development project in the Southern Province and 3.06 million dollars for the construction of a junior secondary school at Maheba Refugee Settlement in Solwezi district.

Close to 3.09 million dollars went to the construction of food grain store houses in the Chingola and about 300,000 dollars went for the maintenance of roads to reinforce the transportation of agricultural produce.

Commodity aid amounted to about seven million US dollars. About 2.8 million dollars went for the finance of the supply of 9855 tons of maize from Zimbabwe. Another 2.8 million dollars was allocated for the supply of tractors and some spares.

About 1.6 million dollars was set aside for the supply of insecticides, herbicides and fungicides. These have also not been supplied to the country yet.

Over two million dollars was used for technical assistance. The money covered about 23 experts who came in the country, some trainees and about 85 volunteers. Some trainees were also accepted to train in Japan.



The main recipients of technical aid were the veterinary education project at the University of Zambia (UNZA) and the school of Medicine at the same institution.

Mr Imagawa said his government might raise the amount of grant aid to Zambia this year.

/9317

CSO: 3400/1771

ZAMBIA

PARTY SECRETARY ON RSA SUPPLIED GOODS

Lusaka ZAMBIA DAILY MAIL in English 21 Apr 86 p 1

[Excerpt]

**ZAMBIAN businessmen have been directed to stop trading with South Africa.**

**Party Secretary-General Grey Zulu said Zambian businessmen must look for alternative sources of supply for goods so as not to be caught napping when the revolution breaks out in South Africa.**

Mr Zulu was addressing the Sixth Copperbelt Provincial Party conference at Kitwe Teacher Training College yesterday.

He said the Party was not closing Zambia's borders with her southern neighbours nor was it dictating trade terms to citizens.

The Party was merely advising businessmen, most of whom were wholly dependent upon South Africa for materials to look for alternative sources of imports.

Referring to the days of the Rhodesian struggle for independence when whites closed their border to Zambian goods, Mr Zulu said Zambia had foresight because it had built the Zambia-Tanzania Railway line.

He said because Zambia had foreseen the situation and adequately prepared itself, imports and exports did not suffer.

The current situation in South Africa was heading in the same direction and, therefore, Zambians should prepare themselves adequately.

/9317  
CS0: 3400/1772

ZAMBIA

FLOOD OF FOREIGN IMPORTS VIEWED AS LOCAL INDUSTRY THREAT

Lusaka ZAMBIA DAILY MAIL in English 12 Apr 86 p 1

[Text]

**UNCONTROLLED** flooding of the local market with finished foreign products is threatening to cause more redundancies in the country, a company general manager said in Kitwe yesterday.

Zambia Ceramics general manager, Akashambata Mbikusita-Lewanika said jobs were being threatened because imports were cheaper than local products.

Mr Lewanika, who was speaking when his company's products were put on exhibition at Hotel Edinburgh, said the uncontrolled importation of foreign finished products should be stopped immediately.

Foreign products were cheaper on the local market because the countries where they are made have been flooded with the same items.

"They use Zambia as a dumping ground because their own market has dwindled".

Mr Lewanika said locally-produced goods were expensive and customers opted to buy foreign goods which were slightly cheaper, and it was because of this that his company had introduced the hire purchase.

Mr Lewanika said the response to the hire purchase was very encouraging and many people and companies had bought the products.

Hire purchase was introduced to counter reduced sales which Zambia Ceramics faced following introduction of the auctioning of foreign exchange.

/9317  
CSO: 3400/1772

11 June 1986

## ZAMBIA

## DANISH ROAD SURVEY RECOMMENDATIONS, STRATEGIC NEEDS

Lusaka ZAMBIA DAILY MAIL in English 24 Apr 86 p 9

[Text]

**THE government needs about K400 million to rehabilitate four economically strategic roads in the country.**

**These are the Lusaka-Livingstone, Lusaka-Chipata Lusaka-Ndola and Kapiri Mposhi-Nakonde Roads.**

These are the findings of a study by a Danish firm, Kampsax, which was commissioned to find out how much would be needed to repair the four highways.

Charge d'Affaires at the Danish Embassy in Lusaka, Mr Thomas Schjerbeck said in Lusaka yesterday that the firm had also recommended that the rehabilitation be done soon in view of the importance the roads played in the transportation of goods.

Findings of the study, financed by the Danish government, have already been presented to the Zambian government which has begun looking at ways of raising the money.

A meeting was held on Tuesday this week in Lusaka between officials

from the Ministry of Finance, the World Bank and the Department of Roads to look into this.

The Ministry of Finance will also shortly call for a donors' meeting at which funding for the project will be discussed. Mr Schjerbeck said the degree of deterioration of the roads was very high and this was why it was important to undertake the rehabilitation scheme as quickly as possible.

The deterioration was so fast that for every day the project was delayed, the cost went up considerably. When funds have been secured, the rehabilitation project is expected to last five years.

The study for repair work on the roads began last year and was only completed recently.

Meanwhile, Tanzania has pledged to continue giving transit facilities for the smooth transportation of goods to neighbouring land-locked countries including Malawi, ZANA reports.

The pledge was made in Dar es Salaam on Tuesday by the principal secretary in the Ministry of Communications and Works Mr Odira Ongara, when opening a three-day consultation meeting on transportation between Tanzania and Malawi.

He said Tanzania's commitment to improve the transport network also aims at strengthening the existing relations between the two countries.

Mr Ongara said the opening of the Kiwira-Songwe Road from Mbeya region to Malawi, was part of Tanzania's efforts to alleviate transport problems facing some member countries of the Southern Africa Development Coordination Conference (SADCC). — Zana/Shihata.

/9317

CSO: 3400/1771

ZAMBIA

DISABLED RAILROAD MAROONS DONATED SILOS

Lusaka ZAMBIA DAILY MAIL in English 21 Apr 86 p 1

[Text]

THE K38 million Chambeshi grain storehouses are idle because Zambia Railways has condemned the rail line leading to the sheds.

The sheds, which can store 111,000 bags of grain, were built by the Japanese and handed over to the Zambian Government last month.

Investigations at the Chambeshi National Agricultural Marketing Board (NAMBOARD) depot revealed the anomaly which has led to grain being stored in the open.

Workers at the depot confirmed that Zambia Railways officials last week visited the area and said locomotives could not reach

the sheds because of a fault with the rail line.

Donating the sheds, Japanese Ambassador to Zambia Masatoshi Ohta said since maize had been stored in open fields during the rainy season, the loss of grain caused by rain and insect infestation had been enormous.

"With this in mind, Japan has agreed on a follow-up project to construct two more grain storehouses in Chingola," he said.

Chambeshi depot has two storehouses while Masansa and Mtirizi can each store 55,000 and 44,000 bags, respectively.

At the moment, the Chambeshi depot can store 54,000 tonnes of grain.

/9317  
CSO: 3400/1771



ZAMBIA

BRIEFS

HEAVY RAINS, POTENTIAL FAMINE--Heavy rains have flooded two thirds of Kabwe Rural, and the Party and its Government has been urged to act fast to avert famine in the area. Twenty houses, including three belonging to the council, have collapsed and crops have been destroyed. Zambia Information Services District Information Officer Miss Eness Litkwabila, who is based at Chibombo said the three council houses at Chibombo had been washed away. At Liteta Leprosarium electricity supply is being interrupted by the rains. The district social secretary has abandoned his house to stay in a rest house because he could not wade in water every day. In Kabwe urban, a big tree cut electricity and telephone wires along Munkoyo Street on Tuesday. No comment on the effects of the floods could be obtained from Kabwe Rural district executive secretary, Victor Kabaso because of communication problems. [Excerpt] [Lusaka ZAMBIA DAILY MAIL in English 24 Apr 86 p 3] /9317

CSO: 3400/1772

ZIMBABWE

# TOKYO SUMMIT SAID TO BE BASED ON FALSE PREMISE

Harare THE HERALD in English 7 May 86 p 4

[Text]

THE summit of the Western economic giants in Tokyo has only managed to agree unanimously on the naming of the Libyan leader, Colonel Gaddafi, as a supporter of "international terrorism".

And as always whenever Western countries tackle this issue, they get all their equations and answers wrong.

Countries like the Frontline States, which live under the shadow of the terrorist striking distance of the apartheid regime cannot accept a blanket definition of terrorism, seeking to lump in one bag freedom fighters with real terrorists.

In fact, were the Tokyo definition of terrorism to be given international validity or blessing, all the founding fathers of the United States from George Washington to Thomas Jefferson would qualify for the "terrorist" label.

All those American patriots who poured a shipload of British tea into Boston harbour as an act of protest against the misrule of the King of England, thus initiating the American war of independence, would by the Reaganist standards be "terrorists".

To all intents and purposes, the Reaganist definition of terrorism, in support of which the US has now recruited its Western allies, defies the American Declaration of Independence itself which recognises and sanctions the use of force to overthrow governments that rule without the consent of the people.

The apartheid regime tramples under the racist jackboot the elementary human rights of over 25 million people, terrorising them and those of the neighbouring states.

But the government in Pretoria is not by the Western definition regarded as a terrorist regime, which it is. On the contrary it is considered and valued as a partner in the Western alliance.

There is a definite case of terrorism in the Middle East, practised by the Zionist state which has uprooted and dispersed a whole people, the Palestinians. The struggle against this injustice is as legitimate as was the American struggle for independence.

But all the Palestinian efforts to re-establish a state of their own as a nation, are being buried under the Reaganist definition of "terrorism" which denies all the genuinely oppressed peoples, the right to struggle for independence and democracy.

This definition is a historical crime because its international dimension and perspective recognises the Unita bandits in Angola and the drug-dealing mercenaries in Central America as "freedom fighters" but not the ANC and PAC of South Africa and Swapo of Namibia.

It protects the inhuman crimes of the apartheid regime and justifies the state-sponsored terrorism of Zionism.

It is a frightening spectacle that in spite of the thousands that have been massacred by the racist regime in South Africa during the past two years, the summit in Tokyo failed to pass a single word of censure against Pretoria. On the contrary Botha was praised for non-existent "reforms".

The Reaganist definition of international terrorism, which has been endorsed in Tokyo, has only exposed those at the summit as dangerously ignorant of just what is terrorism and who the real terrorists are.

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CSO: 3400/1752

11 June 1986

## ZIMBABWE

## MUGABE URGES ADB TO HELP COUNTRIES ADJUST

Harare THE HERALD in English 6 May 86 pp 1, 5

[Text]

**THE African Development Bank must look at ways of assisting African member countries in policy reforms and adjustment strategies, the Prime Minister, Cde Mugabe, said yesterday.**

Opening the joint annual meetings of the African Development Bank and the African Development Fund in Harare, Cde Mugabe urged the banking group not to confine itself to its traditional role of project financing but also to "look at ways of assisting in policy reforms and adjustment strategies".

He said: "Although we have in the past emphasised the need for economic recovery and progress, there has been a tendency not to give the question of the interaction between environment and development the attention that it deserves, especially as regards our natural resources.

"Because of the rate of depletion of our resources, Africa is in grave danger. Within a matter of decades, the very fabric of society could be imperilled."

No matter how successful policies implemented in other sectors were, they would not succeed in the long run if the continent's natural heritage was not protected.

"The ADB/ADF have a major role to play in this regard and I am happy to note that the group has already embarked on a programme of seminars and research on this issue."

The Prime Minister warned the gathering, which included the banking group's president, Mr Babacar N'Diaye, its board of governors (which include finance and economic ministers from member countries), bankers and diplomats that the proposed African Monetary Fund should not become a "smaller version of the International Monetary Fund" by imposing identical conditions.

"Nobody will deny the importance of the fund's objectives. However, we must avoid the danger that it transforms itself into a smaller version of the IMF."

Because of its importance, AMF formation should not be rushed through. "It will be preferable to work out all the formulae exhaustively and prudently instead of attempting to rush the whole process."

He said the continent's leaders had noted at the 21st session of heads of state of the OAU held in Addis Ababa last July the grave economic situation on the continent and acknowledged that development had to be the primary responsibilities of both governments and African people.

He said: "The result was not only the adoption of the Declaration on the Economic Situation in Africa, but also the mapping out of Africa's Priority Programme for Economic Recovery 1986 to 1990 within the Lagos Plan of Action and the Final Act of Lagos which were re-endorsed on that occasion."

This, said Cde Mugabe, was not the first time African leaders had come together to consider more closely the question of the continent's development crises.

As a response to the Addis Ababa call, a special session of the United Nations General Assembly on the critical economic situation in Africa would be convened later this month.

To that end, he said thorough preparations had been made by the OAU and the ECA, with inputs from ADB and other organisations.

"The special session should provide the opportunity to demonstrate Africa's own determination to pull itself up through national and collective self-reliant efforts and to mobilise international support..."

On the question of intra-African co-operation, Cde Mugabe said greater strides had been made. One example was the recent establishment of the Special Emergency Assistance Fund for Drought and Famine in Africa.

"Co-operation and commitment become crucial when we take the 1986-1990 Priority Programme for Economic Recovery into account," he said.

The Prime Minister

said the New International Economic Order could not be achieved without a meaningful and long-term solution of the African debt crisis.

"It must be reiterated that although we Africans are determined to solve our problems and are not crying for free handouts, we cannot achieve progress under the present manipulative international economic system.

"We have heard of the Baker Plan, the Sub-Saharan African Facility, the IMF Trust Fund refloes and other measures to improve the economic position of the less fortunate countries of the world.

"While we are not opposed to the noble aims of these initiatives, it is unfortunate that potentially effective proposals such as these are so often short-term measures..."

Because of Africa's high growth rate on outstanding debt (more than 20 percent for the 1972 to 1983 period) and the "chronically" high external debt service ratios, real progress for its countries could not be expected under the present international attitudes which included high interest rates and un-

favourable exchange rates.

Also tipping heavily against African and other developing countries were a decline in export earnings, deteriorating terms of trade as well as falling or stag-

Cde Mugabe said Zimbabwe endorsed a call (made in Addis Ababa last July) for an international conference on Africa's external indebtedness.

On South Africa and Namibia, the Prime Minister lambasted the US policy of "constructive engagement".

"Constructive engagement has proved beyond doubt to be a deceptive, if not deceitful, policy especially when it is viewed in the context of the United States' military aid to Jonas Savimbi's Unita and the obstructive approach to Namibia's independence.

"Indeed, if the policy of constructive engagement had any claim to universal validity, it completely lost it recently in Libya when explosive and destructive engagement wreaked death and havoc. For South Africa, it is the smooth tongue, for Libya, it is the devastating bomb — what hypocrisy."

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CSO: 3400/1752



11 June 1986

## ZIMBABWE

## TOP ZAPU MP QUILTS TO OPEN 'NEW ROAD TO UNITY'

Harare THE HERALD in English 6 May 86 p 1

[Text]

ZAPU MP for Hwange-Tsholotsho and central committee member Cde David Kwidini has resigned from that party to join Zanu (PF).

Announcing his resignation from Zapu to reporters in the presence of the Zanu (PF) secretary for publicity and information, Cde Nathan Shamuyarira, and the party's secretary for finance, Cde Enos Nkomo, Cde Kwidini said Zapu had been slow to respond to unity invitations made by the Prime Minister, Cde Mugabe, on August 7 last year.

Cde Kwidini said Zanu (PF) and Zapu had agreed that a one-party state would come about in Zimbabwe and that the two parties had the same ideology.

He said Zapu leader Dr Joshua Nkomo had said that the political leadership of Cde Mugabe was undisputed and was uncontested by him (Nkomo).

He said he could only suspect indecision and

lack of courage on the part of the Zapu leader to take the necessary steps to respond to the Prime Minister's call and extend the hand of friendship.

Leaders of Zapu had a grave responsibility to the people of Matabeleland to make them recognise the reality of where political power lay and to make them appreciate that their thinking had to adapt to that political reality.

There was nothing to be gained from staying in political isolation from the rest of the country, said Cde Kwidini.

Cde Shamuyarira said: "We are delighted by his move which has opened a new road to national unity and peace and I hope many members of Zapu follow his example in hundreds."

Cde Kwidini is a former lecturer at the University of Zimbabwe and principal of Mkhoma Teachers College in Gweru and vice-principal of the United College of Education in Bulawayo.

/9317

CSO: 3400/1752

11 June 1986

## ZIMBABWE

## AMNESTY INTERNATIONAL LINK WITH DISSIDENTS EXPOSED

Harare THE HERALD in English 6 May 86 p 1

[Text]

ALMOST the whole dissident high command has now been arrested, the Minister of Home Affairs, Cde Enos Nkala, said yesterday when announcing the release from detention of Zapu MP for Gwanda, Mr Edward Ndlovu.

And those that were not rounded up have been flown elsewhere on tickets paid by Amnesty International. Cde Nkala charged.

The minister accused Amnesty International of recruiting dissident leaders and Zapu officials in London to give them information on human rights in Zimbabwe.

Cde Nkala said dissident leader Makhathini Guduza had told Zimbabwean security officers that when he fled with Zapu leader Dr Joshua Nkomo to Botswana he had remained there while Dr Nkomo left that country.

He said he had his fares to and from London paid by Amnesty International, the headquarters of the organisation, and had been recruited to give the organisation information on human rights in Zimbabwe.

A bitter Cde Nkala said Amnesty International had accused security forces of killing Cde Luke and Jean Khumalo at Thekwane Secondary School on November 25 last year.

"If they are humble people and interested in human rights they should come here and confirm with us now that we have the people involved in these murderous activities. How did they (AI) come into possession of a note left by the Khumalo murderers at the school the following day?" Cde Nkala asked.

The minister said he got a telex on the death of the Khumalos from Amnesty International before he got reports from the Zimbabwean police.

Amnesty International had sent letters to different ministers and even the Prime Minister, Cde Mugabe, on the human rights violations. But, he said, some of the people the organisation asked about had been released from detention before he was appointed Minister of Home Affairs.

He charged that Amnesty International was

getting reports from elements like a Mtshukulu and Jabavu Mpofu who had long since left Zimbabwe. The minister said of these and other dissident leaders Amnesty International helped fly out of the areas where some of them were arrested: "If they are genuine about human rights they should bring these back to us."

The organisation had infiltrated local churches to give them false information about human rights and "I might have to hammer them (churches). AI has recruited people from many private organisations".

The Gwanda MP had his charges withdrawn before plea last week and was released from detention yesterday. Mr Ndlovu had been facing allegations, with nine other men, of plotting to overthrow the Government. Those still facing charges are William Kona, Zapu national chairman; Sydney Malunga, Zapu MP for Mpopoma; Charles Grey, Kindness Ndlovu and Tshile Nleyn (army brigadiers); Zethi Dube and Eddie Mlotshwa (colonels); Leon Leroy Khumalo, a captain and Brian Siziba, a corporal.

/9317

CSO: 3400/1752

SOUTH AFRICA

PRIVATE INDUSTRY TASK TO MONITOR GOVERNMENT SPENDING ANNOUNCED

Johannesburg THE STAR in English 16 May 86 p 3

[Text]

**PORT ELIZABETH** — Private industry "watchdogs" to monitor Government spending will be appointed within the next few days.

This was announced by the Minister of Finance, Mr Barend du Plessis, in Port Elizabeth yesterday.

He told the congress of the Institute of Cost and Management Accountants at the University of Port Elizabeth that the Government had for some time been monitoring productivity in the public service and could claim to have made "not insignificant" progress on this front.

He drew attention to the steps he had outlined in his Budget speech to enable the current expenditure of Government departments to be critically evaluated by a special task force consisting of leaders of the private sector.

"The names of the group will be announced within days and I place a lot of faith in their ability to identify where savings can be made," the Minister said.

Dealing with the general economic situation, Mr du Plessis said data received by the Government in recent weeks indicated that South Africa's economic upswing had so far been far weaker than had been hoped for at the time of the Budget in March.

But since the Budget there had been some welcome developments such as the continued fall in the oil price without an accompanying fall in the gold price, the firmer trend of the rand and better prospects for agriculture.

"But domestically the imminent recovery has as yet not been particularly visible.

"I am certainly anxious that we should not do so crass a thing as to talk ourselves out of an incipient recovery.

"But it would be equally ill-advised for any of us to assume that the March measures were so perfectly tailored to our situation as to require no subsequent adjustments."

However, in assessing South Africa's present economic situation, account had to be taken of the fact that the stimulatory measures introduced in the Budget had not yet had their effect on the economy.

These included the increase in public service salaries, the reduction in personal income taxes and the additional expenditure on unemployment, training and the upgrading of living conditions.

"The business world should still benefit from these measures and their stimulatory effects will still filter through the system and provide an additional modest stimulation."

The Government was watching the situation closely and was prepared to consider further stimulatory measures should this be judged necessary, Mr du Plessis said.

Turning to the theme of the congress — productivity — he said managements had a key role to play in promoting this.

In any sound economic system a close relationship should exist between increases in personnel remuneration and the rate of growth in productivity.

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CSO: 3400/1783

SOUTH AFRICA

BOTHA CALLS FOR ATTENTION TO AGRICULTURE

MB151437 Johannesburg SAPA in English 1428 GMT 15 May 86

[Text] Pretoria, 15 May (SAPA)--The South African Government will in the future receive the full cooperation of the South Africa Agricultural Union (SAAU) following a statement released this morning that the state president, Mr P.W. Botha, has given instructions that a restoration plan for agriculture be given immediate attention, according to Mr Kobus Jooste, president of the union.

Mr Jooste has, on behalf of the union, "expressed gratitude at Mr Botha's sympathetic approach" to problems facing the South African farmer.

This morning Mr Botha released a statement that he had instructed the minister of agriculture and the Economic Advisory Council to give immediate attention to the matter.

The state president said in view of the desperate position of agriculture in the country and the value attached by the government to a vigorous and sound agricultural sector, the minister of agriculture has been instructed to urgently submit a blueprint for the restoration of agriculture in view of agriculture's importance as a sector of the South African economy. The Economic Advisory Council has been instructed to attend to some aspects of the blueprint.

"Steps taken by the state president in connection with agriculture are very encouraging," Mr Jooste said. "The planned enquiry should lead to greater confidence in agriculture and a better future for this sector.

"The whole question of input costs will be analysed incisively and will intercept the union's stand on the freezing of prices as we are confident that all facets of the farmers financial problems will be addressed.

"We trust that SAAU and its affiliates will make important contributions to the restoration plan," Mr Jooste concluded.

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CSO: 3400/1738

SOUTH AFRICA

JEUGKRAG PRESIDENT DISCUSSES ROLE OF ORGANIZATION

Johannesburg THE WEEKLY MAIL in English 16-22 May 86 p 17

[Interview with Marthinus van Schalkwyk, president of the Afrikaanse Studentebond and Jeugkrag, by Shaun Johnson; date and place not given]

[Text] WHY was Jeugkrag formed?

There was no youth organisation in South Africa which provided for Afrikaner youth to get politically involved. We thought we should be there where the building of a new South Africa takes place.

We needed a dynamic youth organisation which would operate independently from any political party. The Afrikaanse Studentebond (ASB) is a strictly cultural organisation, and cannot make any political statements.

We had talks with black youth groups — the Inkatha Youth Brigade, as well as others. We needed a political organisation where we could join hands with black youth and work on joint projects to attain joint aims.

The launching committee of Jeugkrag was exclusively Afrikaans — will you aim for a broader appeal?

People of all races, creeds and colours will be able to become members of Jeugkrag. We are an organisation of moderates. Our principles are very broad in the sense that to the Right, we cut off people belonging to the right wing and to the Left we cut off people believing in violent change and socialism. We want to pull to ourselves the broad middle group, the moderates.

Do you feel there has been a significant shift in political outlook on the Afrikaans campuses which has opened new possibilities for this organisation?

The situation on the Afrikaans campuses has changed a lot in the past two or three years. People are more willing to compromise on political issues. They know we are moving towards a future where whites won't have all the privileges they are used to. They are willing to accept that and all the challenges that lie

ahead.

This move to found Jeugkrag triggered reaction from the right wing in the youth community and on the Afrikaans campuses. Also, believe it or not, there is a small group of very Leftist people on the Afrikaans campuses.

We took the initiative in mobilising the large middle group at the Afrikaans universities, and in the youth community as a whole.

You opposed the initiative by some Stellenbosch students to meet the ANC. Are these people too "Left" to be members of Jeugkrag? And what is your attitude to the ANC?

People who support our principles are most welcome to be members of Jeugkrag. But we are not in favour of negotiating with the ANC. We are not in favour of violent change.

We are trying to help to build an alliance between moderate people of all colours in South Africa. We believe that the lines of division in this country should be drawn along the lines of ideology — what people believe — and not colour.

At present the vast majority of our people believe that we should not be talking to the ANC.

What disturbs us most is the ANC's alliance with SACTU and the South African Communist Party. A lot of our people would still be willing to talk to the ANC despite their being in favour of violence. It is their links with the Communist Party that they cannot accept.

Isn't the historical lesson of Zimbabwe that you cannot deny that the ANC is an



**Important actor in the political process? Is Jeugkrug flexible enough to change its mind on the ANC?**

Yes, we are flexible. But at present our stance is very clear, in the sense that we believe that the only time those people are willing to talk is when they feel they can advance their position, or consolidate or avoid a retreat. That is unacceptable to us.

We are willing to talk if people honestly and sincerely want to reach a solution. Our impression is that that is not the ANC's stance on this. They've said a lot of times in the past that they are only interested in the taking of power, they are not interested in sharing power with anyone.

**Do you then regard the initiative by the businessmen and by Nico Smit in going to Lusaka as incorrect?**

I think these people helped the ANC in marketing itself in South Africa. I don't deny the fact that the ANC has substantial support, but that is not the question. The question in politics is not always what the support of an organisation is. The question is: is it possible to come to terms with an organisation? And under which circumstances will you do so, and which strategies are you going to use? I feel at present the most appropriate strategy is not to talk to the ANC.

**What is your attitude to the UDF?**

The problem with the UDF is that you can't talk to it as an organisation. It is a very loose alliance of a lot of organisations.

I believe there are two definite elements within the UDF. There are those who want to make the country ungovernable and those with undeniably close links to the ANC. But there is also a moderate element which is willing to talk to us, as we are willing to talk to them.

We are waiting to see where the UDF is going as an organisation. Is it willing to talk; is it just a front organisation for the ANC; are those who do have links with the ANC going to control the UDF?

**Turning to your links with Inkatha. Do you see any danger in aligning yourself with one black group, and one that is quite clearly an ethnically-based and controversial group?**

We are not married to any one of the different ethnic groups. Our links with Inkatha are historical, in that when we started talks with them, through various other organisations and individually, they were the only large black youth organisation willing to talk to whites.

At that stage, the UDF hadn't been founded, and Inkatha was, without doubt, the most important black youth organisation in South Africa.

They are at present the largest black youth organisation, they are moderate in the sense that they are in favour of peaceful change, they support the free market system (although they believe in a redistribution of wealth) and they believe in democracy, which is very important to us.

But if the possibility ever arises of having the same kinds of joint projects with any other black or coloured organisations, we will follow it up.

**How far can your alliance go with Inkatha?**

The two organisations must prove some things to each other. The Youth Brigade must prove that they are sincere about peaceful change, the free market system, and democracy. A lot of white people — taking into account what happened in Africa — are very sceptical about black people saying these things, but I personally believe they are sincere.

From our side we should prove that we want to abolish apartheid, and that we are honest and sincere about that. But that's only a short-term aim.

In the long term, the struggle in South Africa is capitalism, free market economy versus socialism in moderate or extreme forms. We are looking for people to form an alliance in this long-term struggle.

**Do you believe you will achieve mass support?**

There is a lot of support, not only on the campuses but also from working youth, from people at technikons, teacher training colleges and schools. We really aim to make this the largest white youth organisation in South Africa.

And by white I mean ... in principle there is no limitation or restriction whatsoever on people becoming members of Jeugkrug, but it is important before you move closer to other organisations that you first consolidate in your own community.

We believe, for example, that black people should be in parliament, should have equal status in South Africa, and that we should have a bill of rights, human rights — that is our direction.

And I believe that the vast majority of white people and Afrikaner people are in favour of these things. White people in South Africa, and Afrikaners especially, aren't really afraid of blacks in parliament, black people having the vote. They are afraid of the results of that.

**Are you going to avoid specific issues like the use of the SADF in the townships, or confront them?**

It is very important that we take stances on these specific issues. Other issues that should definitely be addressed are those like the Group

Areas Act. But of course politics is a question of doing the possible at the right time. We must have grassroots support for our viewpoints. That is dynamic leadership.

**How do you see the future of South Africa developing?**

There is a restlessness within the white community, in the youth community and the Afrikaner community, of not being there where the future is formed. Jeugkrug tries to channel this.

I don't want to be too pessimistic, but I think there will be a fight in the end, an escalation of violence within the next few months, and the next few years.

The question that remains is: "Who is going to fight whom in South Africa?" Is there going to be a race war, which I will do everything in my power to prevent, or will it rather be a war between ideologies?

This is our country as much as it is the black peoples' country. There is no place else we can go. We will stay for better or worse, and that is why I say that if, at the end, it becomes a real possibility that we will have a socialist government in South Africa in what may be an extreme form, I can see no option other than whites taking up arms — however regrettable that is. I hope it does not come to that.

/12828

CSO: 3400/1783

11 June 1986

## SOUTH AFRICA

## AMNESTY FOR ARMS, AMMUNITION EXTENDED

Johannesburg THE CITIZEN in English 17 May 86 p 11

[Text] PRETORIA. — Since the original announcement in December 1985 of a period of amnesty to people illegally possessing firearms and ammunition to hand these items in to the South African Police without fear of prosecution, a further period of grace of two months was granted and once again about 15 000 firearms were handed to the SAP.

This was said yesterday by the Minister of Law and Order, Mr Louis le Grange and the Minister of Justice, Mr H J Coetsee, in a joint statement released in Pretoria.

Several people also applied for licences for firearms in their possession.

"The Government has now decided to grant a final period of amnesty until the end of June.

"It is therefore announced that according to Section 10(a) of the Arms and Ammunition Act, 1969, as will be set out in the Government Gazette, that any person illegally possessing arms and ammunition and who hands it in at any police station or to any police officer during the period of May 16, 1986 to June 30, 1986, will not be prosecuted for the unlawful possession of such arms or ammunition

nor for any misdemeanour relating to not reporting the loss, theft or destruction thereof.

"Applications for the possession of weapons can be made at the same time in appropriate cases.

"With regard to machineguns, handgrenades, mortars, artillery ammunition, teargrenades and other similar objects and explosives, the Attorneys-General of the individual departments are releasing orders to State prosecutors of whom they are in charge, not to prosecute any person for unlawful possession should the objects be handed in during the period of grace."

The statement called upon people in unlawful possession of any of the objects named to use the opportunity to get rid of the objects without fear of prosecution. After June 30 prosecutions will be instituted in the normal way and the statement pointed out that conviction under the above mentioned Act carries sentences as high as ten years' imprisonment without the choice of a fine. — Sapa.

/12828

CSO: 3400/1783

SOUTH AFRICA

BRIEFS

MALAN ON SERVICE FOR INDIANS--Defense Minister General Magnus Malan has given the assurance that the defense force is doing its utmost to cut spending by keeping operational costs as low as possible without detriment in its capability. Speaking in parliament, General Malan also said that national service for Indians was not being considered. He said any future changes to the system would depend on the decision of the House of Delegates. General Malan said defense expenditure as a percentage of state expenditure had dropped from 18.4 percent in 1977 to 17.1 percent in 1981, and 13.7 percent this year. He said these percentages compared favorably with other countries where there was a lesser conflict than in South Africa. [Text] [Johannesburg Domestic Service in Afrikaans 1400 GMT 16 May 86] /9604

CSO: 3400/1738

SOUTH AFRICA

NEW POWER IN TOWNSHIPS, PEOPLE'S COURTS, COMMITTEES DESCRIBED

Mamelodi Township

Johannesburg THE WEEKLY MAIL in English 9-15 May 86 p 9

[Article by Peter Honey]

[Text]

WE meet in a "safe" house in Mamelodi, one of several where activists can talk privately or, if things are "hot", spend the night dodging the police; perhaps even the ubiquitous Molotov cocktails and hand grenades.

The young people gather quietly. Across the street a saxophone haunts the night.

There are five of them, all committee members of Mayo, the Mamelodi Youth Organisation, which its supporters say is the embodiment of "people's power".

For two hours they talk of their work; of people's courts, street and section committees, education and re-education programmes.

Later, in a different house, activists from the Mamelodi Civic Association (MCA) — the older generation — complete the picture.

They sketch a vision of what amounts to a new reality, of which most whites in nearby Pretoria know little.

"We are not speaking of revolution. We call it democratic change," says Mike Seloane, 26, Mayo's general secretary.

"Revolution implies armed struggle. That would be suicide for us at this stage — the police and army are too strong.

"But the time will come when the balance of power is on our side, and then the people will say 'enough is enough'."

Mayo is a child of the students' revolt, as are most township youth groups. It was launched in August,

1983 after the national student association, Cosas, realised that young "talent" was being lost as schoolgoing activists graduated out of the classrooms.

The banning of Cosas last year thrust the youth organisations into a more pivotal role. Being more diffuse and community-oriented than a national body, they are also more difficult to suppress.

Mayo and related political organisations succeeded to a large degree in challenging and discrediting the government-backed town councils. Councillors were forced to resign. Militant activity and violence against individuals working within the "system" became legion.

Last June Mayo moved to fill the leadership vacuum it had created. It launched "operation clean-up", a campaign to root out crime as well as hooliganism being committed in the name of "the struggle".

Activists say it also exposed "agents provocateur", who were being used to spread dissension within anti-government groups.

Mayo organised the community's own garbage collection and encouraged community service, such as the building of the small grassy parks and rockeries which feature in virtually every open space in the township.

You could call it recreation in the name of the struggle. Here is "Mandela Park", "Tambo Place", "Unity is Strength" and "Comrades Centre", even the more facile "Lovers' Lane".

They are decorated with old tyres, rocks and wood — even old motor car

parts, brightly painted. A feature of Mamelodi is the "cannon", an old vehicle axle with prop shaft pointing to the horizon as if ready to fire.

One of these faces the police station; if there is innocence, it is deadly serious.

Many of these young people have been detained after voicing their views. The police know all about them, but that knowledge does not mean they can stop them.

"We have actually rendered the police ineffective," says one member.

Most residents, he explains, are discouraged, even prevented from reporting township crime to the police. The activists have created "disciplinary committees" and "people's courts" to handle such matters.

Their functions include controlling crime, politicising residents against the local authorities and educating them about the broader political struggle.

The courts, or "forums" as they are called, can be held at any time, whenever there is a plaintiff and an accused.

"The main aim is rehabilitation, to re-educate the wrongdoer and make him a better person," he says.

Petty thieves could expect to be sentenced to community tasks, such as painting and watering the parks.

But corporal punishment is meted out. A rapist, for example can expect 25 or 30 lashes with a sjambok.

"The punishment is carried out on the spot," says a young woman member who does not want to be identified.

"You have to see this from our point of view. The community must be the judge and must see that justice is done.



"It has reaped tremendous rewards. Many people who opposed us have been converted and now work with us — even policemen."

"Here we do not concern ourselves with legal technicalities," says 32-year-old Strike, Mayo's oldest member, "like in the Magistrate's Courts where, if you have a good lawyer, you can get off."

But he rejects any suggestion that these are simply "kangaroo courts", designed to eliminate dissenters.

People who have never been to a township often associate people's courts with "necklacing", the terrible execution of suspected informers.

"This might have happened in some townships, but no court in Mamelodi has ever sentenced anyone to the necklace," says another member.

The court, he says, must hear each side of a story before reaching its verdict, and appeals are allowed — heard by a special court that convenes once a week.

Malpractices have occurred, admits Mike, but these are discouraged as much as crime itself, because they could rebound on the struggle.

"We do not intend to destroy people," he says.

"They must gain confidence in what we are doing, so that they can break away totally from government structures. The government must become irrelevant to their lives."

In making it so, they wage a war of nerves against the police. Black policemen are isolated socially, made to feel outcasts.

Inevitably, there is violence. The homes of activists are bombed with Molotov cocktails, or even hand

grenades. The police deny complicity, but in some cases residents claim to have recognised the attackers. Policemen's homes are bombed in retaliation.

Mamelodi, claims an MCA member, has had more of these attacks than any other centre in the country.

"We know who is doing it, but we cannot prove it in court," he says.

The activists deny complicity in attacks on police. They attribute them to "circumstances", and admit they are unable to control people who take the law into their own hands.

"But I will say this: in Mamelodi there is not a single policeman who has given trouble who is not dead."

"The conditions force people to be violent. Sometimes they use every instrument they can to fight the system, which is in itself violent," says Mike.

"But our organisations cannot now resort to violence. The stage has not yet come."

For the moment, at least, the fight is centred mainly on the black townships.

But the time has come, says an MCA member, for blacks to begin meeting more regularly with whites, to get them to start questioning what the government tells them.

"The government needs white unity more than anything, and we need to divide that unity," he says.

"It is essential for the government itself to be isolated. They must be forced to say: 'we cannot govern'."

The black struggle, he says, has moved away from a "paper struggle" into a grassroots movement, "and these roots must spread into every corner of the land".

## Filling Void Left by Councils' Collapse

Johannesburg THE WEEKLY MAIL in English 9-15 May 86 p 9

[Article by Sefako Nyaka]

[Text]

THE formation of street committees in several townships throughout the country is seen as the first step towards replacing official administrative structures.

Apart from having left a void in the running of the townships, the collapse of the much-hated community councils and local authorities has paved the way for a new trend whereby people govern themselves.

"More and more people are shying away from reporting their cases at local police stations or at the homes of councillors. This has resulted in residents setting up their own courts," says Mike Selokane, general secretary of the Mamelodi Youth Congress (Mayo).

Although there was no official State of Emergency in Pretoria, residents still found it impossible to hold meetings, making communication impossible.

"There was an undeclared State of Emergency in Mamelodi with authorities banning meetings or Security Forces disrupting gatherings."

It was at this time that some unruly element "hijacked the struggle for their own ends", demanding money from businessmen in the name of Cosas (the banned Congress of South African Students).

"We decided to launch an operation clean-up in June last year to weed out criminals and hooligans using the political struggle for their own ends."

After the November 21 shootings outside the Mamelodi administration offices, residents went on a widespread rent boycott. This prompted the authorities to suspend all garbage collection in the township.

"It was then that we included garbage collection in the clean-up operation and soon we engaged in a house-to-house campaign to get people to isolate the police and the administration. We tried to persuade people not to pay rent or lay any charge at the police station."

This resulted in the formation of "people's courts to deal with petty crime. But then this also led to other elements using the courts to settle personal feuds.

"People would come to us claiming that their neighbours or whoever had insulted them or assaulted their child. In some cases the disciplinary courts would try the person *in absentia* without caring to listen to the other side of the story.

"Some people took advantage of this type of undemocratic procedure and would fabricate charges against people they had a dislike for," Selokane said.

In some cases a person would go to a committee in a different street to report an incident that allegedly happened in the street in which he lived.

The offending party would then be fetched and punished. This led to people reporting incidents that had occurred several months, or even years ago.

"It was then that we hit on the idea of setting up street committees to deal with problems affecting a particular street."

Street committees, which meet about once a week, deal with domestic problems such as a husband deserting his family and moving in with a girlfriend.

Usually the man is fetched and brought to the court to say what led to his walkout. Several marriages have been saved in this way.

At times a young man spends all his money at the shebeen without supporting his parents. He appears before court and after being shown the folly of his ways, he is usually given five lashes with a cane.

Despite police claims that some people have been sentenced to death by "necklace" or given more than 40 lashes, no evidence of this could be obtained.

There are also instances of the courts having punished rebellious children, students who play truant and generally behave anti-socially.

Street committees also made it easy to communicate decisions across a broad spectrum of the community.

The executives of street committees come together to form a section committee and the section committees and five delegates of all other progressive organisations operating in the township together form an area committee.

The area committee then formed a civic association.

It is still too early to gauge the effectiveness of the street committees but recently when police disrupted the launch of the civic association in the township, a highly successful three-day stayaway was called.

"It was remarkable how quickly and efficiently information filtered through to individuals."

Street committees decentralise civic associations making them more approachable.

This has resulted in decisions emanating from the people themselves rather than from the executives of an organisation.

Recently a street committee in Mamelodi decided that shebeens had to operate until 10pm.

This was a decision affecting a particular street and other streets wishing to impose similar restrictions had to discuss the matter with the inhabitants of that street together with the shebeen owner.

Every resident living in a particular street becomes a member of a particular street committee. The only people excluded from membership are councillors, police and others who are openly collaborating with the system.

It usually happens that a member of a street committee affected by a certain decision feels unhappy about a proposal. If after a lengthy debate he still feels dissatisfied, the matter is referred to the block committee.

The matter can be taken to the highest level, the civic association, and if no accord is then reached, the matter is put to a vote.

"If a decision likely to affect the whole of Mamelodi is taken at street committee level, then it will have to be taken to the section committee which will pass it on to the area committee and the civic association before a final decision is taken."

In Mamelodi there are separate committees for adults and the youth because of the peculiarity of their experiences and their needs.

But they come together at the civic level and this eliminates possibilities of friction and conflict of interest.

/12828

CSO: 3400/1782

SOUTH AFRICA

PEOPLE'S JUSTICE SEEN AS IMPORTANT PART OF PEOPLE'S POWER

Cape Town GRASSROOTS in English May 86 p 14

[Text]

"PEOPLE'S justice is part of People's Power"

This is what Raymond Suttner told a UCT law conference this month. He explained that people's power was very different from ungovernability.

"If an area is ungovernable, no-one has control. But with the growth of people's power, the people are beginning to govern themselves. In many areas, the people's organisations are taking over institutions that used to be run by the government - such as creches, first aid centres, parks and so on.

**Police seen as enemies**

"The development of people's justice is a very important part of people's power. Most people do not believe in the police, or the courts. They do not see these things as helping them in any way. In fact, they see the police and courts as enemies of the people.

'Now, when people have problems with crime, or family quarrels they do not go and lay a charge at the police station. They go to the people's organisations - the civics, or the street committees, or the UDF.

"In townships all over South Africa - particularly in the Transvaal, and Eastern Cape, the people's organisations are finding ways of dealing with quarrels and

crime. In some areas, they have set up people's courts, or people's advisory centres, as they are sometimes called."

"But we do not see these things as working like the government's courts. They are very different," a community leader told Mr Suttner.

Mr Suttner said that the "people's courts" are different from the government courts in four important ways:-

- They are created by people's organisations, and are completely responsible to the people of the community. They cannot do anything that the people would not approve of.
- They do not have this difficult "legal" language that nobody understands. Everybody follows what is happening, and takes part.
- There is no all powerful judge, or prosecutor. Everyone has a fair chance to explain their case.
- They do not punish offenders. They try to make people understand the wrongness of their actions.

This last point is a very important part of the People's Justice. "We understand that crime is because of apartheid," a community leader said. "We cannot punish someone for stealing because apartheid has made him

poor, and hungry, and unconcerned about his fellow human beings."

"It somebody steals, first we make him give back what he has stolen. Then we explain why stealing will not solve our problems of hunger and poverty. We educate him about why there is poverty, and how we can work together to solve it.

"Our biggest concern is that our people can live in peace together, and can give their attention to fighting our real enemies — oppression and exploitation.

Mr Suttner said that this was what made People's Justice different from the so-called "Kangaroo Courts". In these courts, the youth are trying to rule the people with fear. They threaten to beat them if they do not support the struggle. But they do not explain WHY they must support the struggle.

But through people's justice, the leaders do not frighten the people. They help people understand their problems. Then they support the struggle because they can see it is right — not because they are afraid.

The people's organisations have done something that the apartheid government could never do. They have greatly reduced the crime rate in the townships. All over, people are saying, "Now we can

walk the streets at night with no fear." The crime rate has been lessened through the people's courts, and through gangsters and people in shebeens being asked to give up their guns and knives.

"Of course, there are some problems. Some people abuse their power — particularly the youth. But in areas where the older residents are involved, there are very few problems.

Even some of the police are recognising the power of People's Justice. In the Eastern Cape, if residents go the police office with the complaints, the police tell them to "Go to Jack" (a UDF leader), or to go to the area committees. This is because the police know that they cannot do anything to solve the problem.

### **People's Power**

The creation of people's justice is an important new step on the road to people's power. In the words of an Eastern Cape pamphlet:

"We are no longer prepared to wait for Botha to make changes. We are taking our future into our hands. Democracy is not something that will happen on the day of liberation.

It is something that we must learn, and develop NOW. The historic task of building a new society has now begun.

/9317

CSO: 3400/1731

11 June 1986

SOUTH AFRICA

## REPORTER WITNESSES PROCEEDINGS OF 'PEOPLES COURT' IN ALEXANDRA

## BUSINESS DAY Comment

Johannesburg BUSINESS DAY in English 12 May 86 pp 1, 6

[Text]

A CHILLING political development in recent months has been the emergence of "people's courts" in the townships.

Township residents speak fearfully of the courts, which are run by the shadowy political group known as the "Comrades".

Among the harsh judgments these courts are said to hand down is the notorious necklace, a blazing, petrol-soaked tyre placed around the neck of alleged police informers and other major offenders.

*Business Day* staff reporter SIPHO NGCOBO followed a dangerous trail to seek permission to report the proceedings of a trial of the "people's court" in strife-torn Alexandra.

After days of secret meetings, he succeeded.

His absorbing report appears in full on Page 6 today.

It deals with the court's handling of a charge of housebreaking and theft — for, as Ngcobo writes: "In Alex, hardly anyone goes to the police these days. They report their cases to the Comrades."

## Alexandra; Town Under Siege

Johannesburg BUSINESS DAY in English 12 May 86 p 6

[Article by Sipho Ngcobo]

[Text]

ALEXANDRA, north of Johannesburg, is a township in the grip of the local political activists — the "comrades". They claim to have run all the affairs of the township since the eruption of a terrific wave of unrest on February 15.

Under the banner and leadership of the political activists and the resultant high level of political consciousness, the local masses have reached a stage where there is little or no co-operation between them and government authorities.

This no doubt led to the massive police and army raid at the weekend.

"A decision has been taken to form an alternative administrative structure to govern the township, because the residents rejected any government-appointed administration," say the comrades. "Residents have successfully been mobilised so they can defend themselves against the police."



11 June 1986

Petrol-bomb attacks and gutting of residences of local town councillors, consumer boycotts of their businesses and general ostracism has resulted in the fall of the town council and the en masse resignation of the council officials.

Members of the police still remain major targets of the political activists and scores of other hostile residents. Only rubble remains of what used to be their houses after furious residents set them alight. A battleline has been drawn between the South African Police and the local residents. Highly politicised youths brandishing AK47 rifles stalk the township on days of mass prayer meetings and funerals of unrest victims.

Police informers — or sell-outs, as government collaborators are commonly known — pay heavy prices of either being stoned to death or have burning tyres — "necklaces" — put around their necks until they are dead.

More happenings, unthinkable in the history of black resistance to apartheid in SA, have occurred in Alexandra. Developments since

February 15 — "the six-day war," which left more than 20 people dead — are astonishing.

One of the more astonishing is the establishment of "people's courts" by the "comrades". The courts deal with all kinds of cases, ranging from civil matters to the most serious of crimes.

Local people tell hair-raising tales about the "people's courts". "There are tyres hanging on the walls of these 'courts,' ready to be used as 'necklaces' around the necks of those who have been found guilty," claim the people.

I set out to find one of these courts — and to report its proceedings. It involved days of shadowy contact with people whose names and faces I did not and still do not know. Some met me in the dark; others kept their faces hidden.

At one stage I thought I would never get anywhere near the "people's court". But at last — on a cold May day in Alex — I found myself sitting quietly in the corner of a tiny, spotless room about to witness a case in the "people's court".

#### Justice Inside Comrades 'People's Court'

Johannesburg BUSINESS DAY in English 12 May 86 p 6

[Text]

IT IS 2.30pm on a cold May Saturday afternoon in strife-torn Alexandra township, north of Johannesburg. Nine men, most of them young, in their 20s and 30s, are sitting around the table, in a tiny but spotlessly clean room.

The silence is deafening. Uneasy, frightening tension grips the venue. This room serves as Alexandra's own "people's court," where cases of all kinds — rape, theft, housebreaking, family disputes, you name it — are dealt with by local political activists — "the comrades".

Four of the men, sitting on one side of the room, are wearing their red, black and white caps bearing the slogan: "Aluta Continua" (The struggle continues).

They are prosecutors, ready to cross-examine the accused and do the normal routine court tasks, just like in any other court of law.

On the other side of the room is another, a more relaxed, calm man, about 32-years-old. He is not wearing a cap. His smile shows his strong set of white teeth. He is the presiding magistrate of the day.

All five men are members of the Alexandra Action Committee (AAC), a group responsible for the running of the township's affairs after the en bloc resignation of the unpopular local town council.

The group monitors and co-ordinates day-to-day activities of the yard and street committees it has formed to create a barrier between the police and residents.

In Alex hardly anybody goes to the police these days. They report their cases to the "comrades."

Next to "the magistrate" is an angry-looking old man, about 64, a typical manual worker, in a blue overall. He is staring intently at another young man in front of him as if to pounce and strangle him.

The old man is a complainant and the young man is the accused, facing five counts of housebreaking and theft.

The young man turns and looks down at the pine table. He is shabby and shaking like a leaf. He has on a light V-neck jersey, no vest, no shirt underneath. His hair is uncombed and his bloodshot eyes are restless.

Looking at him, I suddenly wondered whether his shaking had to do with the fear of being about to be tried by the "comrades" who, in township circles, are associated with "the necklace" (a burning tyre around the neck) by anyone who offends "the oppressed, the nation".

Next to the shaking man are two others, sitting quietly with their hands folded. They are both witnesses called by the angry old man.

There was I, in one corner of the "people's courtroom," pen and my shorthand notebook ready. To find the "people's court" I had been passed along a shadowy chain of unknown people. Some talked to me in the dark; some I could barely see.

At one stage I thought I would never get anywhere near the "people's court".

At last I found myself before a young man. "Comrade!" He was smiling. "The masses think you are an agent of the system. That is why they won't give you any information. That is the reality of our situation," he said, flashing another smile.

After a long and friendly discussion he gave me permission to visit a "people's court".

So here I was, in the corner of the tiny courtroom with nine other men and the frightening, uneasy tension still gripping it.

Although a certain degree of flexibility marks the proceedings, the atmosphere in this "court" is astonishingly formal.

The old man's angry stare at the scruffy looking accused and the deafening silence is interrupted by the stern voice of the "magistrate," speaking in English:

"Comrades. Before the court starts, I would like to remind the accused, the two witnesses and the complainant that the people's court functions in such a way that every one of us here has got a right to talk and defend himself as much as he can.

"You all know of the misconceptions and ridiculous talk about us, the comrades. We are said, in misinformed quarters, to be the most ruthless, bloodthirsty, uncompromising and always ready to kill or even burn alive without flicking an eye."

Silence grew heavier.

The "magistrate" cleared his throat and looked at the accused, whose eyes were wide open by now.

He continued: "I can assure you that all these beliefs are not true. They are all flimsy, malicious rumours spread by the system to discredit us and tarnish the integrity of those committed to fighting the oppressive policies of the country's ruling government.

"We are committed to positive and constructive change and not destruction. We want to rebuild Alexandra and engender a spirit of trust among its residents. We want to live as a united and civilised people, free of crime.

"We must solve our problems amongst ourselves and not go to the Boers, who have no love for us, who begrudge us, who molest and kill us for reasons even unknown to them and the world over. So, be free comrade. But please tell the truth, because through it we can hope to build Alexandra and the whole nation of South Africa. Now, we shall start," he said.

**MAGISTRATE:** "The accused is facing five charges of housebreaking and theft committed on different occasions at the house belonging to 'ntate' (Southern Sotho for daddy). A total of five shirts and hardware tools were stolen during this period.

"We also note that the accused used to stay in the same yard as

'ntate' before he (the accused) was expelled by his own nephews. Do you plead guilty or not?"

**ACCUSED:** "I admit that I broke into the old man's house, but only thrice and my intention was not to steal. I broke in because I had no place to sleep after I had been dismissed by my two nephews and ..."

"He is lying! He is lying!" interjects the old man.

The magistrate intervenes and politely admonishes the complainant to give the accused a chance to talk.

**ACCUSED:** "I had nowhere to sleep and a stoep of one of the houses in the yard served as my refuge every night. But as there were too many soldiers patrolling the streets I became scared and decided to break in."

**MAGISTRATE:** "Now, can we hear from you 'ntate.' Tell us what happened as much as you can."

**COMPLAINANT:** "This boy was lying when he said he broke into my house only on three times. He first broke into my house on December 7 and then every end of the month from January till April. Five of my most beautiful shirts, my witchdoctors' bones and tools were stolen and I want them back! Do you hear me?"

"I have a family in Pietersburg and I go there every end of the month and this boy knows it. He waits for the end of the month when I am away and then breaks in and steals.

"It seems the boy has got something against me. I cannot understand why he must keep stealing for me when there are so many other houses and so many people in Alexandra. Why me?"

The magistrate turns to the four prosecutors:

"Comrades ... if you wish to ask questions or make any comments ..."

**PROSECUTOR (number one)** turns to the accused: "Do you admit that you broke into 'ntate's' house five times and stole the tools, the bones and five shirts?"

**ACCUSED:** "No, I only broke in and stole three times."

**PROSECUTOR:** "What did you steal?"

**ACCUSED** (hesitates): "I cannot remember ... eh ... e ... h, I was drunk."

**PROSECUTOR**: "Were you drunk on the three occasions you broke in and stole?"

**ACCUSED**: "Yes, I was drunk and do not remember what happened."

**PROSECUTOR**: "Oh! If I understand you well, you cannot remember anything you have done or do under influence of alcohol?"

**ACCUSED**: "Yes."

**PROSECUTOR**: "Then how do you remember that you broke into 'ntate's' house three times and not five times, as he claims? How do you remember that you broke into the house because you had no place to sleep? And if you were drunk how could you have remembered that there were soldiers patrolling the streets on those nights and that you were scared of them?"

(The accused keeps quiet).

**PROSECUTOR**: "Comrade, talk! You are wasting our time. You should remember that the time you are wasting is significant to us. People are oppressed and the time you are wasting, we freedom fighters could be utilising to contribute to the liberation of our people. Now talk!"

(The accused still keeps quiet).

**MAGISTRATE** intervenes: "Is that clear, comrade?"

**ACCUSED**: "E ... h ... eh ... I do not understand SeSotho. I speak SeTsonga (Shangaan)."

**MAGISTRATE**: "Do you need an interpreter?"

**ACCUSED**: "Yes."

(The interpreter is brought into court. Same questions asked in SeTsonga but, like before, the accused keeps quiet).

**PROSECUTOR** (number two) cross-examines the accused: "Comrade, you say when you broke into 'ntate's' house you only wanted to sleep. Then why did you steal?"

**ACCUSED**: "I did not steal."

**PROSECUTOR** (number three): "Comrades! This man is wasting our time. He has just told us that he broke in three times and stole three times. He also says he only broke in because he had no place to sleep."

"He tells us he was drunk and he loses his memory when he is drunk. But surprisingly, he recalls that there were soldiers patrolling the streets. All of a sudden he did not steal. What is all this? What must we believe?"

"I am left with one impression, and that this man is a liar."

**PROSECUTOR** (number four, the youngest of them all in court): "I want you to tell me the truth, comrade. Where are the goods you stole?"

**ACCUSED**: "I have still got some of them."

**PROSECUTOR**: "So you did steal them?"

The accused admits the thefts. The young prosecutor goes on.

"Now, comrade, I am going to ask you the last question, and this is very important to you and all the people of Alexandra. Are you prepared to live peacefully with the people of Alexandra?"

**ACCUSED**: "Yes! Yes!"

**MAGISTRATE** turns to the old man: "'Ntate,' it is clear that the accused is guilty of the five charges. What do you say to that? What must we do with him?"

**THE OLD MAN**, still fuming: "My child! Thupa ya lukisha! (sjamboking is the best medicine). The boy must be sjamboked!"

The **MAGISTRATE** ignores the old man and turns to the two witnesses, who are both nephews of the accused: "Why did you dismiss your uncle from your house? Relate briefly."

**WITNESS** (number one): "This man is our uncle and we like him a lot. But on pay days he would misuse all his wages on liquor and when he is broke he starts stealing. He steals from us, from everyone, and this has been going on for years. He is just too much of a thief. He is an embarrassment to the whole family."

**WITNESS** (number two): "It is true; our uncle's problem is liquor. He does not even have a bank book because of alcohol."

**MAGISTRATE**: "Let us say your uncle gives up liquor. Would you accept him back home?"

**WITNESSES**: "Yes."

**MAGISTRATE** (addresses the four prosecutors): "Comrades, will one of you give some political education?"

**PROSECUTOR** (number four) starts: "'Ntate,' one of the Alexandra Action Committee's major objectives is to build the community, and you will notice that crime has decreased considerably since we started running our own affairs after the fall of the local town council and our resolution to build the wall separating us from the police.

"We do not believe the accused is beyond redemption. He can be rehabilitated and then join the struggle for freedom of the oppressed people and contribute in rebuilding and reorganising Alexandra and the whole of our land.

"He may be a potential freedom fighter who will one day free you and me from the chains of oppression, but provided he is converted into a sober-minded human being.

"Sjamboking a man does not necessarily mean he will change. However, we do not imply that the method we contemplate using to convert the accused will definitely work. We are only hoping it will work. It has worked before.

"We will work hard to make the accused a good person and we will also ask you to help us change this man. What do you say? Can you help us?"

**OLD MAN:** "My children, I am very pleased. If only that was possible and if he could give up liquor. You know, I like this boy."

The magistrate, the prosecutors, the complainant and the accused's nephews, after a brief deliberation, resolved that the accused should be allowed to stay with his nephews while undergoing rehabilitation.

"You cannot hope to rehabilitate a renegade, a vagabond who does not even have a place to stay."

They resolved:

☐ He would never be allowed to take liquor;

☐ A selected committee of AAC members, the complainant, the accused's nephews will monitor how he progresses;

☐ Though he will not be told how to use his money, his savings would nevertheless be monitored by the old man, the nephews and the special committee.

The Magistrate declares an end to the people's court proceedings.

Everybody rises. There is laughter and shaking of hands. All faces are bright and radiant. Even the young, scruffy accused is no longer shaking. His eyes no longer restless, he shares a joke with his nephews. The old man joins in. They all laugh.

About 600m away, an army Buffel of the South African Defence Force was moving slowly, still patrolling the troubled township.

Where I was, some of the nine men were still laughing, others smiling broadly.

"Oh! The African people. They are never without their smiles," I thought and left.



## REGIONAL SERVICES COUNCILS SEEN AS FAILURE

Cape Town GRASSROOTS in English May 86 p 14

[Text]

INCREASING resistance to apartheid by the majority of South African citizens has forced the government to try and make it appear as if blacks are being given a say in the running of the country, while at the same time making sure that the white minority remains in power.

The tricameral parliament introduced in 1984 was one of the systems the State created to give the impression that people other than whites were being given a say in decisions taken by the central government.

Now it is trying to do the same thing at a local level.

### **com. council - failure**

Previous attempts to "include" blacks in local government through management committees and community councils have been a complete failure because people have realised that these bodies are powerless and fall far short of the people's demand for a share in government through one person one vote.

The government has now come up with a new plan.

It is going to create new "multiracial" councils which will serve regions, rather than just a single city or town.

The regional council in the Western Cape, for instance, will include Cape Town, the townships, other municipalities like Stellenbosch, Bellville and Kraaifontein and neighbouring farming areas.

### **RSC's - little Power**

The RSC will provide services to all the communities within the boundaries but will have very little power - the National Party and its collaborators in the tricameral parliament will have final control over the RSC.

Within the various regions, the government will divide communities of various races into many small local authorities - similar to the white city and town councils which exist at the moment.

In black areas where no councils exist, the management committees and community councils will play the same role as town councils and divisional councils in white areas.

### **Appointed by Govt.**

In areas where there are no management committees, the government will appoint them and there will be no elections until 1988.

Each of the racially-defined authorities will appoint representatives with voting rights on the Regional Service Council (RSC). The people within the areas will have no say in who represents their interests on the RSC.

The Administrator of the Cape Province — who is a government official — will appoint the chairman of the RSC.

The number of votes given to each local authority represented on the RSC will depend on the amount of money each of these areas spend on services — like electricity, water and sewerage — which they will buy from the RSC.

This means that the poorer black areas — many of which are not connected to these services — will have very little say in what happens on the regional council.

The rich white areas will therefore make final decisions which will affect the whole region.

All the claims made by the government about the benefits of the RSCs have been contradicted by the reality of the new system.

The government said the RSC would give people of all races a

say in local government and that much of the power which the government now holds over local authorities would be transferred to the people.

### **No consultation**

The truth is:

- the whole system has been designed without consulting the people.
- the RSC cannot make decisions which go against the government's apartheid policies.
- the government can over-rule any decision taken by the RSC.
- the government and the ministers in the tricameral parliament will dictate the form, the nature and the functions of the RSC and the local authorities.

The government said the RSC would lead to the redistribution of wealth from richer to poorer areas.

The truth is:

- the RSC will cost so much to run that there will be no money left over to develop poor areas.
- whites will hold the power in the RSC and are unlikely to agree

to giving up their wealth to help poorer areas.

### **Poor must Pay**

- money raised to run the RSC will come from taxes on businesses. In the end these taxes will be passed on to the consumer. Poorer people will have to pay more for goods, Businesses will have to pay tax on the number of people they employ and it is likely that management will re-trench staff to avoid having to pay high tax.

Many people including politicians, academics and community leaders have rejected the RSCs as another form of puppet government designed to fool people into thinking they have more power.

### **Govt. - more control**

In the end, the government will have even more control at the local level and it will be even more difficult for people to organise against their oppression if they take part in this undemocratic system.

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CSO: 3400/1731



SOUTH AFRICA

SELF-GOVERNING STATES OFFICIALS DISCUSS DEVELOPMENT BANK

MB221337 Johannesburg SAPA in English 1326 GMT 22 May 86

[Text] Johannesburg, 22 May (SAPA)--Representatives of the governments of the six self-governing states in South Africa met in Sandton near here today for discussions on development issues and the activities and progress of the Development Bank of Southern Africa.

This is the second meeting of its kind since the establishment of the bank in 1983, where the self-governing states who participate in the bank's activities through South Africa's membership, are informed of the bank's activities.

The meeting was chaired by Dr Gerrit Viljoen, South African minister of education and development aid.

Apart from South Africa, the other members of the bank at present are Transkei, Bophuthatswana, Venda and Ciskei.

The self governing member states are Gazankulu, Kangwane, Kwandebele, KwaZulu, Lebowa and Qwaqwa.

The meeting was attended by chief ministers, ministers, commissioners general and officials of the self-governing states and their development corporations as well as Mr Own Horwood, president of the Council of Governors of the bank.

In a statement issued by the delegates, the meeting was described as informative. It provided a useful opportunity for "constructive dialogue" on the various development issues and ideals of all concerned, and in particular in their interaction with the Development Bank.

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CSO: 3400/1797

11 June 1986

SOUTH AFRICA

CISKEI DELEGATION MEETS ON IMPACT OF 'ECONOMIC CLIMATE'

MB191512 Johannesburg SAPA in English 1448 GMT 19 May 86

[Text] Cape Town, 19 May (SAPA)--South African and Ciskeian delegations today discussed the "serious impact" of the economic climate on developments in the homeland.

A joint statement released in Cape Town after the meeting said South Africa had emphasized that "very effort" should be made to save money and to provide socio-economic upliftment.

The economic climate had placed "considerable constraints" on spending by both governments, the statement said.

The South African delegation was led by the deputy minister of foreign affairs, Mr Ron Miller, and included the deputy minister of finance, Mr Kent Durr, the ambassador to Ciskei, Mr A.J. van Deventer, the senior officials.

At the head of the Ciskeian delegation was the minister of public works, Chief D.M. Jongilanga. He was accompanied by the minister of finance, Chief M.E.P. Malefane, the minister of youth affairs, the Reverend V.G. Ntshinga, other ministers and senior government officials.

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CSO: 3400/1797

## SOUTH AFRICA

## URGENT GOVERNMENT-ANC TALKS STRESSED

Johannesburg BUSINESS DAY in English 6 May 86 p 6

[Commentary by Dr R.W. Bethlehem]

[Text]

**T**HE time has come for government and the ANC to talk, and not only to talk but reach an early understanding about the unbanning of the organisation and its return to the arena of lawful competitive politics.

Common sense demands it, economic considerations demand it and, indeed, even the requirements of national security demand it.

This statement may appear almost a contradiction in terms, because, from government's point of view, the ANC has been the main threat to national security until now, but such is the greater threat of uncontrolled black violence that looms in the background of present government-ANC differences that such a view can no longer be sustained.

There will be a temptation for the ANC to feel that time is on its side and that it need not make the effort at reaching an accommodation with government.

Black majority rule — given the prospective increase in population — it must surely see as inevitable, and it will, therefore, be tempted to conclude that it is just a matter of time before its ambitions are realised.

This could be a dangerous illusion, for, quite apart from the fact that other groups exist in SA which have it in their power to use violence also, the exponential radicalisation of black township youth promises ultimately to erode the ANC's own authority.

**T**oday, the ANC doubtless still commands sufficient authority through hundreds of black communities to impose an agreement it was able to reach with government and other parties, such as Inkatha, but the likelihood must be that in five years' time, perhaps even sooner, that will no longer be possible.

Today, it is still within the power of government and the ANC, acting jointly, to determine outcomes. In five years, such an opportunity is likely to be lost altogether.

But time is not only running out in this sense. It is running out also for the economy and its ability to match demographic change.

During the first half of the Eighties, economic growth in SA (measured by increases in real GDP) averaged only 1% per annum. This compared with an average growth in population of about 2,5% per annum and a rate of growth of the black population of more than 3% per annum.

No one should be under any illusion as to what the compound effect a continuation of such disparities would involve for the country over an extended period.

The increase that has occurred in poverty over the past five years would be extended. Living standards in all communities would drop further. Unemployment, which is already at a dangerously high level, would continue to rise

and — perhaps most seriously of all — the country would finally reach the point where the consumption of its capital stock was threatened.

This is already too close for comfort after four years of decline in real fixed capital formation.

For an industrial community, the stock of capital goods is comparable to the seed corn of a tribal community. A tribal community, driven through drought to eat its seed corn, must know that disaster, in a short time, is unavoidable even if it does eventually rain.

Nor should it be thought that the economy will be the only casualty of a continued escalation of violence. The probability is that that will lead also — sooner perhaps rather than later — to a suspension of Parliament itself.

Already the reasons for such a suspension exist. The tricameral system is discredited and rejected totally by blacks. White Right-wing violence has begun to show its ugly head. It is inevitable, if events continue along their present path, that it will become a logical alternative to an embattled Executive, determined to assuage black hostility and desperate to head off a threatening erosion of support within its own constituency.

**H**owever, even a suspension of Parliament, in circumstances such as those that are likely to unfold, could only be a holding operation.

At a stroke, it would reduce all South Africans to political equality (though the emphasis would have to be on the word "reduce," not the word "equality" in that case), but it would not address the problem of black poverty.

Gone, perhaps forever, would be the checks and balances of parliamentary-type democracy and in their place would be a state power, answerable to no one, attempting to assert a monopoly of authority in conditions of countrywide fragmentation and internecine strife. But black poverty would continue, and would increase until even a dictatorship would collapse under its weight.

Economic growth, made possible through an expeditious resolution of political differences, is the only means by which the challenge of such a possible future can be met.

**T**he choice is between a modernising, industrialised SA with gradually-increasing opportunities for all, notwithstanding inherited disparities of income, wealth and education (which growth and fiscal measures would deal with in time anyway), or a SA driven into the disaster of Third World impoverishment, inefficiency and corruption.

A comment on the issue of legitimacy is necessary when considering the government-ANC divide. Both see each other as without standing in law.

Government's view of the ANC is that of a terrorist organisation whose criminality derives from its cold-blooded assault on civilians, as well as its violation of statute, and is, therefore, without question.

The ANC's view of government is that of a perpetrator of state terror whose criminality derives from its violation of basic human rights and has been accepted widely in the international community.

Whatever the merits of these opposing standpoints, they should not preclude either communication or the reaching of understanding between the parties.

Both know that there is nothing particularly unique in the structure of their conflict. Conflicts of a similar nature have existed before in history and are to be found today in Northern Ireland, Spain, Cyprus, the Middle East, the Punjab, the Philippines and elsewhere.

Legitimacy in all these — and legitimacy in SA, too — has no objective criteria for evaluation. However, conflicts left unresolved breed terrible consequences for all concerned; if not immediately, then in the long-term.

The conflict in SA has a potential to exceed in dreadfulness even that of Lebanon because of its complexity and its special strategic dimensions. But it remains sufficiently

limited in its scale still to justify the hope that statesmanship and compromise have a role to play.

A tragedy of SA is the confusion apartheid generates in the consideration of moral and pragmatic issues. So abhorrent is it that for many — both within the country and abroad — there can be no formal dealing with white SA as long as it remains policy.

**T**his is understandable, but it is also lamentable. Real solutions to complex political problems are rarely found by addressing moral issues exclusively.

It can never make straightforward sense appealing to a man's conscience when his self-interest appears, at least to him, to lie firmly in an opposite direction. Far better to show him that morality and self-interest coincide.

SA has got to the point in its history when both morality and self-interest — in the broader, long-term meaning of the term — do coincide both for government and the ANC, and time cannot be lost in the exercise by them of a mutual, patriotic and historic responsibility.

□ *Dr Bethlehem is the group economics consultant of a leading mining finance house. The views expressed here, however, are his own, not those of his company.*

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CSO: 3400/1733

SOUTH AFRICA

MUSLIM LEADER URGES UNITY IN RAMADAN MESSAGE

Durban THE DAILY NEWS in English 9 May 86 p 14

[Text]

LEADING Muslim scholar and leader, Moulana Ismail Abdul Razack, called on the community not to allow race to divide it into ethnic groups in his annual message on the eve of the holy month of Ramadaan.

Moulana Razack said that there seemed to be an orchestrated move to ensure that Muslims were divided by race with Indians, Malays, coloureds, whites and blacks being forced to live in racially exclusive townships.

"We are all one. We are all equal and while the powers that be might succeed in forcing us to live in racially segregated townships, they can not and we must not allow anyone to keep us apart in mosques around the country.

"We must make every mosque in this country a rallying point for unity. We must use it not only as places of worship but for education, culture and all facets of community life," said Moulana Razack.

He said that with a united stand, Muslims could develop themselves into a powerful group which could defend any attacks that might be made on them.

"I do not believe that we will get meaningful leadership as we know it from the United States or Russia. We have the Koran to lead us and we must

re-commit ourselves to it, come together regardless of race and pursue a life which is in keeping with being Muslim," said Moulana Razack.

He said that Muslims had allowed themselves to be put into racially segregated compartments and let themselves to be dictated to by people who wanted to enforce all kinds of political ideology.

"We must remember that our strength lies in us being united and once we achieve this, then only we will not be indifferent to each other or for that matter, we will be able to reach out to other people and make a positive contribution to change," said Moulana Razack.

He said that Ramadaan was a month which instilled discipline when Muslims go without food and water from sunrise to sunset.

"This is not a physical practice as such. It has profound meanings and one of them is for all Muslims to know what it is to go without, which so many people have to suffer for most of their lives. It enjoins us with those who suffer and I believe that this is a starting point for us to unite," said Moulana Razack.

During the month of Ramadaan, Moulana Razack will be travelling around South Africa.

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## SOUTH AFRICA

## COLORED, INDIAN MINISTERS WANT CABINET PORTFOLIOS

Johannesburg THE SUNDAY STAR in English 4 May 86 p 19

[Article by David Breier]

[Text]

AFTER nearly two years in the Cabinet, South Africa's two coloured and Indian Ministers have still not been entrusted with Cabinet portfolios.

Coloured and Indian parties are now adamant that the Nationalist Government must show it really means to share power, by giving them "general affairs" portfolios.

The NP's coloured and Indian partners in government have so far been precluded from having any authority over affairs which could involve whites.

This week, the only Indian Cabinet Minister, Mr Amichand Rajbansi, made history by becoming the first man of colour to address the white House of Assembly.

Neither he nor the only coloured Cabinet Minister, Mr Allan Hendrickse, had previously addressed the white chamber as neither has a Cabinet portfolio and therefore neither is answerable for any general affairs department.

Mr Hendrickse has had to confine his speeches to the coloured chamber and Mr Rajbansi to the Indian chamber. White Cabinet Ministers, in contrast, address all three houses regularly on their portfolios.

Mr Rajbansi became a historic exception this week when he spoke in the white chamber on the new measures to allow Indians into the Free State and

parts of Northern Natal which were previously forbidden territory. Obstacles to Indian immigration into South Africa were also lifted.

As the matter concerned Indians directly, he was permitted to address the white chamber on the matter.

Mr Luwellyn Landers, Deputy-Minister of Population Development, who is a member of the coloured chamber, became the second person of colour to address the white chamber.

Coloured and Indian MPs point out that the chairman of the white "own affairs" Ministers' Council, Mr F W de Klerk, has a "general affairs" portfolio as well - that of National Education.

But his counterparts in the coloured and Indian Ministers' Councils, Mr Hendrickse and Mr Rajbansi respectively, have no general affairs portfolios even though they sit on the Cabinet.

"It is now high time in this country that a black man was given a portfolio," commented Mr Miley Richards, deputy leader of the Labour Party, the majority party in the coloured chamber. In the term "black man" he included coloured and Indian people.

"This needs to be done to prove that we are a part of the Government and part of the executive of the country," he said.

Dr J N Reddy, Indian "own affairs" Minister of the Budget, said that, when President P W

Botha first appointed coloured and Indian "general affairs" Ministers, he said he would not give them portfolios yet as they did not have the necessary experience.

"They have been in the Cabinet for some time now, so it is appropriate to reconsider the matter," he said.

Mr Rajbansi and Mr Hendrickse are now no longer the most junior members of Mr Botha's Cabinet. Dr Willie van Niekerk, Minister of National Health, is the most recent Cabinet appointment and, therefore, their junior.

But, while he has a portfolio, his senior Ministers who are coloured and Indian do not.

There is one coloured and one Indian general affairs Deputy Minister. They are Mr Landers and Mr S V Naicker, Deputy Minister of Environment Affairs.

As Deputy Ministers, they are not members of the Cabinet.

In addition to this, there are coloured and Indian "own affairs" Minister's Councils. Mr Hendrickse is the chairman of the coloured council and Mr Rajbansi of the Indian council.

When the new wing of Parliament, which includes a large debating chamber, is completed, it is possible that the three houses will hold joint sittings for second-reading debates.

11 June 1986

SOUTH AFRICA

**MUSLIM MISSIONARY URGES COOPERATION WITH ZULUS IN RURAL AREAS**

Durban THE DAILY NEWS in English 9 May 86 p 14

[Text]

MUSLIM missionary, Mr Cassim Ntombela, has called on the Muslim community to join the Zulu nation in economic development programmes for their common good.

Mr Ntombela said that there was a great deal of hardships in the rural areas of Natal and KwaZulu and that a concerted effort by Muslims will go a long way to reduce the suffering.

"More people now in the rural community are turning to Islam than at any other time. While efforts are being made to take care of their spiritual needs, it is important to develop economic programme to ensure that their lifestyles also improve.

"A top priority was the creation of more job opportunities, training skilled

workers and making possible adequate housing developments," said Mr Ntombela.

He said that while the country was going through a tough economical phase and hardships were being encountered also in urban areas, the need to develop rural settlements was vital to ensure a healthy future for a great number of people.

"I believe that many of our Muslim businessmen have the necessary resources to make a valid contribution, not as a handout, but as partners in an investment in the future," said Mr Ntombela.

He said that people in the rural areas would welcome Muslim participation, especially since Islam was spreading in their communities.

/9274

CSO: 3400/1788

## SOUTH AFRICA

## BLACK SASH OFFICE OFFERS ADVICE ON PASS REFORM LAWS

Johannesburg THE WEEKLY MAIL in English 16-22 May 86 p 14, 15

[Article by Barbara Ludman]

[Text] THREE weeks after the government announcement that influx control is on its way out, the Black Sash advice office in Johannesburg is busier than ever, with queues out the door and down the steps.

The increase is due more to rising unemployment than to government announcements. Problems related to influx control haven't changed.

There's a 23-year-old "foreigner" (last registered as a Bophuthatswana citizen) who needs a South African identity document; an old man who wants his pension paid here, not in the Transkei; a family whose citizenship is so tangled among two countries and a homeland that they're currently stateless.

What might have changed are the solutions.

In this interregnum between the government's announcement and the adoption of a law, what reigns is neither optimism nor despair. It's confusion.

"The officials are as confused as we are," said advice office head Sheena Duncan this week.

"One Wrab official told us people can work wherever they like, including people from the TBVC states.

"Another official is saying only people with a housing permit can work wherever they like.

"All we can do in this office is test it out to see what happens. At the moment the law is as it's always been, but it's no longer being enforced."

One day last week the Sash set a record of sorts: 138 people came in for advice. That's roughly 80 percent more than usual.

What can the Sash tell them?

"We don't expect to be able to be precise about what the new system is for a considerable time," Duncan says.

A major question concerns the status of people whose papers identify them as "belonging" to one of the TBVC states — Transkei, Bophuthatswana, Venda and Ciskei. Dual citizenship is not

mentioned in the draft Identification Bill but is already provided for in a new form issued by the Department of Home Affairs.

Another critical point — particularly for TBVC people — will be the legal definition of "permanent residence" — which, Duncan points out, is a difficult concept in law.

"The new system is not clear," says Duncan. "If people come from TBVC countries, it seems they have got to prove permanent residence."

The Sash and its clients are caught between interpretations of what permanent residence

means. So "if somebody has a reference book or a passport from one of the TBVC states, and no urban rights," says Duncan, and he is seeking unemployment benefits, for example, "we are now saying to him 'We don't know what will happen but try to get your benefits here.' For people needing new identity documents, we say 'Go and apply'."

One such is young A Kubeka, born on a Transvaal farm to a Tswana-speaking mother. His mother has urban rights on the East Rand, but the son's old reference book was issued in Bophuthatswana because his birth certificate, issued in 1973 — when he was 10 — says he holds Bophuthatswana nationality.

He moved to town four years ago, and a few weeks ago lost his Bophuthatswana passport. His timing was apparently excellent.

"He happens to have lost his book just as everything was changing," says Duncan.

"Under the old system, he would have had considerable difficulty because he grew up on a farm; therefore he had no section 10 rights.

"Under the new system, what he will have to prove — based on what the law is apparently going to be — is that he is 'permanently resident with his family' outside Bophuthatswana."

The Sash is assuming an affidavit from a resident with urban rights or a lodgers' permit will prove permanent residence. Kubeka could well benefit from the change — as should the man who followed him to the advice office desk.

It was F Nhlapo's second visit to the Sash. He first appeared at the advice office in 1981, when he arrived in Johannesburg from the Balfour district, where he had grown up on a farm.

His case differs from Kubeka's because his home language is Zulu, not Tswana, so there is no danger of his being considered a citizen of an "independent homeland".

All the same, "when he came before, we told him he would not be issued with a reference book in Johannesburg because he had no urban rights. He couldn't work in the towns because he was born and grew up on a farm, and there was nothing we could do for him. He would only get his reference book in Balfour."

Nhlapo came back to check on the news that the pass laws had been changed.

This time the Sash could tell him that according to the announcement and the white paper, he could apply for an identity document in Johannesburg — and because he is not a "foreigner" of any kind, he can look for work.

"As a single man with no children, he'll find it much easier to find a place to stay" — and with it what the Sash is assuming to be the crucial piece of paper, a lodgers' permit.

G Jobe is a "foreigner" — born in the Transkei in 1918, employed in the Transvaal since 1933, self-employed here for the past 15 years. Nearly 70, he's ready for his pension. In the Transkei, it would amount to R49 a month. In the Transvaal, it will be R79 — and here he can supplement it with odd jobs.

"Under the old system, we would have had to prove he had been resident in an urban area for 10 years," she says. "We would have tried to find a Section 10 right for him somewhere."

"Under the present setup, we have to prove that he is permanently resident in the Republic with his family."

He lives here, but without his family. "He is what the government calls a squatter," says Duncan, "living like thousands of others in the area called Grasmere, between Johannesburg and Vereeniging. He has less chance of being allowed to remain than he had under the old system, because his wife and children are in the Transkei." And without formal, approved housing, he won't

be able to bring them here.

Somebody wins, somebody loses — but for the Moyos, there's no difference at all.

The Moyo brothers were born South Africans, children of a Zulu-speaking mother and a father who is a Botswana citizen.

In 1977, with the Status of Bophuthatswana Act, the boys — who speak their father's language at home — "automatically" became Bophuthatswana citizens, but did nothing about it. A year later, their father took out Botswanan citizenship for the entire family.

The boys tried to register here, but were refused reference books. So they tried to register in Bophuthatswana — which also turned them down.

Meanwhile the Botswana government has also told them they are not citizens — because under Botswana law, a person who becomes a citizen as a minor keeps that citizenship only by renouncing his or her original citizenship before the 22nd birthday — and this they didn't do.

Changes in the law will not affect the Moyos, says Duncan, who is trying to help them to claim their South African nationality.

**In many ways the new system may seem much the same as the old. The Identification Bill** calls on employers or landlords to notify the Department of Home Affairs (if so requested) of people taking up employment or residence; those people whose identification is demanded by a "peace officer" must produce it.

"One of the things that will be very interesting to see is how long it will be before people who benefit by this change realise what 'freedom of movement' means to people who are stopped and asked for their ID documents in the street," says Duncan.

"If they enforce the proposed law the way it reads, it means they can stop you in the street, and if they have reason to believe you are over 16 and have not applied for an identity document — because you do not produce one — they must 'without delay' take you to an office of a representative of the Home Affairs Department to check whether you're telling the truth when you say you do have an identity document."

"The only way the representative has of checking is to take your fingerprints and flash them through on the computer to check the Population Register."

"This may not technically be an arrest — but if people are to be stopped in the streets and marched off to a government office to be fingerprinted, it is going to seem very like arrest to them."

SOUTH AFRICA

GOVERNMENT DETERMINED TO RETAIN RESIDENTIAL APARTHEID

Johannesburg THE SUNDAY STAR in English 4 May 86 p 19

[Article by David Breier]

[Text]

SOUTH Africa's chronic unrest has made the Government more determined than ever not to scrap residential apartheid in the vast majority of areas for fear of importing unrest into white suburbs.

The Government plans only minor adjustments to residential apartheid, while the bulk of suburbs will remain segregated. This was leaked to Sunday Star last week after confusion surrounding recent Government statements on the Group Areas Act.

The chronic unrest situation has made the National Party more determined to retain white exclusivity in the vast majority of white suburbs.

"If we let black members of the United Democratic Front into white suburbs, are there going to be necklaces and hand grenades?" was how one Government member put it.

The Group Areas Act is at present being considered by the Constitutional Affairs Committee of the President's Council which is due to make its recommendations to the Government later this year.

It is reliably understood that while the committee has not

yet come up with firm recommendations, the Nationalist members of the council are determined not to scrap group areas.

In addition they are opposed to any "local option" formula which would allow local authorities or residents to open their areas piecemeal. They argue that local option would cause chaos if whites changed

This will enable mixed couples, who may now legally marry following the scrapping of the Mixed Marriages Act, to obtain a home legally.

In effect the new policy will mean that few suburbs, some of them not yet established, might become "grey areas".

The name of the Group Areas Act might also be changed and some technical adjustments could occur.

But large-scale opening of suburbs — especially white suburbs — to all races, even on their minds after blacks moved in, meaning the newcomers would be forced out again.

According to the sources, the only practical reforms which the Nationalists are prepared to accept at this stage are the opening up of some newly-proclaimed areas to all races. In addition some form of recognition might be given to areas where extensive mixing has already taken place illegally, such as Johannesburg's Hillbrow and Berea and Cape Town's Woodstock.

a local option basis, is just not on now, according to the sources.

A recent speech by Mr Chris Heunis, the Minister of Constitutional Development and Planning, caused a stir of hope that the Act would be scrapped when he said whites who needed the Group Areas Act to remain white, did not deserve to be white.

This followed his statement that he was not wedded to any Act. President P W Botha said that no Act was a sacred cow.

But in a clarifying statement last week, Mr Heunis said the Act was not necessary to ensure the identity of whites or any other groups, but was a statutory instrument to order community life.

He said it remained Government policy that the country could best be served on a group basis.

It is known that the Nationalists in the President's Council tend to take their cue from the Government. The signal they have been getting is to achieve whatever reforms they can to the Group Areas Act without large-scale residential integration.

The recent scrapping of influx control has brought pressure to bear on the Government to allow full freedom of movement by abolishing group areas.

But the Group Areas Act has in fact never applied to blacks — only to whites, coloureds and Indians who each have their own group areas in terms of the Act. Black areas have been controlled by the Black Urban Areas Consolidation Act.

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CSO: 3400/1730



## SOUTH AFRICA

## NATAL TEACHERS COMMITTED TO REFORM, INTEGRATION

Johannesburg THE CITIZEN in English 17 May 86 p 14

[Text] DURBAN. — A large majority of Natal Teachers' Society members are committed to reform and integration and are ready to face the challenges of a non-racial educational system, according to a recent Natal University survey.

The survey also reveals that most NTS members are more liberal than conservative, want greater contact and communication between Black and White pupils and are willing to move into non-racial professional organisations.

Titled "Separation or Integration" and conducted on behalf of the NTS by Professor Lawrence Schlemmer and Miss Monica Bot of the Centre for Applied Social Sciences, the purpose of the survey was to discover Natal teachers' attitudes to non-racial education.

Mr Mike Ellis, the president of the NTS, said yesterday that at their annual education conference in Durban next week the society will consider asking the Natal Education Department to urgently plan for a non-racial educational system.

"About a month ago the Minister of National Education, Mr F W de Klerk, cleared the way for individual education departments to plan for the future themselves," Mr Ellis said.

"We will be looking closely at the implications of his statement at the conference.

"We will also discuss the issue of the Government subsidisation of private schools on a racial basis," Mr Ellis said. "We support the private school stand that the proposed subsidisation system will entrench apartheid."

The Parents Association of Natal, which represents the school committees of 92 Natal schools, has passed a vote of no confidence in the Director of Education and the Natal Provincial Council over their handling of the issue of the framing and introduction of new regulations governing education in Natal.

Parents in Natal are seeking an urgent meeting with the Minister of Education and Culture, over two main issues which they oppose: The

creation of regional committees, and the forced split between English and Afrikaans-speaking parents, even at the same schools.

PANNO chairman Mr B K Turner held that at a meeting with the Director, the MEC and Provincial Councillors, parents were assured by the authorities that they would be fully consulted before new regulations were introduced. PANNO, along with all the advisory school committees throughout Natal, were invited by the Director to submit detailed comments and critique on the proposed new regulations before the end of January. — Sapa.

/12828

CSO: 3400/1784



SOUTH AFRICA

ARCHITECTURE DEGREES NOT RECOGNIZED BY BRITISH ROYAL INSTITUTE

Cape Town THE WEEKEND ARGUS in English 10 May 86 p 1

[Text]

DURBAN. — The Royal Institute of British Architects has withdrawn its recognition of the architecture degrees of three universities in South Africa on the basis that insufficient progress was being made in the admission of black students.

The institute has severed its educational links with the universities of Natal, Cape Town and the Witwatersrand.

In a letter to the vice-chancellor and principal of the University of Natal, Professor P de V Booysen, the institute's secretary said they would be prepared to receive applications for re-recognition when substantial improvements could be shown.

The institute has also refused an appeal by the University of the Orange Free State against an earlier "de-recognition" of its architecture degree.

Mr G Gallagher, a former president of the Institute of South African Architects, said: "These three universities are in the forefront in fighting apartheid; they are the very places that should be getting the institute's support. The universities have never changed their views on apartheid. These views have been strengthened, even during the unrest in the country — they should be sup-

ported," Mr Gallagher said.

The decision would affect those who enrolled from 1987 as they would not be able to write the institute's examinations here but would have to do so in England after working there for two years.

Professor Don Dyke-Wells, head of the School of Architecture at the University of Natal, said in a memorandum that the school concerned itself earnestly with problems of black development in South Africa, wherever such developments could be seen as having architectural implications.

He said the school not only offered undergraduate courses such as Housing in Development, and Ecological Resource Management, both aimed at South Africa's Third World development problems, together with a substantial proportion of design projects with Third World connotations, but also supported research by individual members of staff in problems of black housing.

The number of black (African, Indian and coloured) students registered at the School of Architecture at Natal has remained constant at 14 in a total enrolment in the years 1983, 1984 and 1985 of 138, 163 and 185 respectively.

/9274  
CSO: 3400/1787

SOUTH AFRICA

BRIEFS

STELLENBOSCH UNIVERSITY BANS ECC--Stellenbosch University has effectively banned the End Conscription Campaign [ECC] from operating on its campus. A university spokesman has confirmed the executive committee of the university council and has decided Stellenbosch facilities will not be made available to the ECC. The Stellenbosch branch of the organization was launched earlier this month at a meeting where an electronic listening device was discovered. The university spokesman has refused to comment on whether the ban is connected to the fact that President P.W. Botha is chancellor of Stellenbosch. A Stellenbosch ECC spokesman says the organization will continue its activities, but will have to find off-campus venues for meetings. [Text] [Umtata Capital Radio in English 1100 GMT 16 May 86 MB] /12624

RESIDENTIAL AREAS SURVEYED --Johannesburg, May 17, SAPA--More whites are now prepared to open their own residential areas to other race groups than they were five years ago, a survey has shown. A survey, conducted for the Afrikaans Sunday newspaper RAPPORT, said almost 40 percent of the people interviewed were prepared to open their areas to coloreds compared with 26 percent five years ago. Although only 29.2 percent of the respondents were prepared to have black neighbors it is a marked improvement on the 17 percent of five years ago. A little over half of those interviewed felt coloreds and Indians should have their own residential areas with percentages of 52 and 51.5 respectively for each group. Five years ago the figures were 64 and 62 percent respectively. The same question concerning blacks was agreed with by 61 percent of the respondents compared with 72 percent in 1981. Women proved to be more conservative than men with 34 percent in favor of Indian or colored neighbors. Regarding blacks, only 24 percent were in favor. English-speaking respondents were more liberal than their Afrikaans counterparts with 61 percent in favor of Indian or colored neighbors and 51 percent saying suburbs should be open to blacks. Afrikaners who are prepared to live in the same area as coloreds and Indians doubled in the past five years from 13 to 26 percent, the survey showed. [Text] [Johannesburg SAPA in English 2017 GMT 18 May 86 MB] /12624

GROUP AREAS ACT SURVEYED--Almost three-quarters of 2,000 people interviewed in a survey feel there should be changes to the Group Areas Act, a Sunday newspaper said in an early edition today. More than half (53.4 percent) of the respondents in a survey conducted by the newspaper RAPPORT felt that the

opening of white areas to other race groups should be a local decision while 20 percent felt there should be minor changes to the act. Of those interviewed 24.4 percent felt that the act should remain as it is. This is a significant drop compared with a similar survey carried out by the same newspaper five years ago when 34.7 percent believed the law should stay as it is. In 1981, 28.2 percent said the act should be slightly modified to make exceptions in deserving cases to open residential areas. In the current survey 20 percent of the respondents felt this way. In the previous survey only 36.6 percent of those polled felt the decision to open suburbs should be dealt with at a local level compared with the 53.4 in the most recent poll. [Text] [Johannesburg SAPA in English 2042 GMT 17 May 86 MB] /12624

**WHITE OPINION ON MIXED SCHOOLS**--Whites are now more prepared for racially mixed schools than they were five years ago, a survey has shown. A survey, in the Afrikaans Sunday Newspaper RAPPOR, has shown that the number of people who feel that schools in white areas should not be open to scholars of another population group has dropped from 48 percent in 1981 to 35 percent in the survey published today. The number of respondent who feel schools should be open to all race groups has increased to 24 percent compared with 11 percent in 1981. [Text] [Johannesburg SAPA in English 2022 GMT 17 May 86 MB] /12624

**NEW INSTITUTE PLANNED**--Plans for a new institute for political options will be completed in the next few weeks by former PFP MPs Frederik van Zyl Slabbert and Alex Boraine. But its formation could spell the end of the National Convention Movement (NCM). Boraine and Slabbert, who resigned from parliamentary politics earlier this year, have been canvassing opinions on the idea of an institute among prominent black, white, coloured and Indian leaders, and have found some support. At the same time it has raised doubts about the viability of the NCM--ironically, a movement which Slabbert played a major role in launching. NCM chairman Jules Browde said yesterday the movement's future was being investigated, and that an announcement would be made within two weeks. The NCM has failed to gain public approval from black leaders, largely as a result of KwaZulu Chief Minister Mangosuthu Buthelezi's participation. Slabbert left at the weekend on a visit to the US and Europe, where he will have discussions with influential US foundations with a view to raising money for the proposed new institute. Boraine, who recently turned down the post of NCM executive director, leaves for New York on Friday to join Slabbert. Part of the aim of the new institute will be to act as a think tank on various democratic options available and to promote peaceful internal dialogue. Boraine said yesterday reactions to the idea had been extremely encouraging in various circles. [Text] [Johannesburg BUSINESS DAY in English 6 May 86 p 3] /9317

**IRISH CAMPUSES SEVER LINKS**--London--Two of Ireland's major universities are now actively taking part in a boycott of SA, a conference in Dublin has been told. Trinity College decided recently to sever all formal links with SA institutions; and University College, Dublin, has warned that staff who work in SA during their holidays or on leave will be dismissed. [Text] [Johannesburg BUSINESS DAY in English 14 May 86 p 3] /9274

**INDIAN HOUSING CRISIS--**Yunus Moolla (Sol Stranger) said yesterday the housing backlog for Indians was about 60,000. At a conservative cost of \$25,000 a unit, one was looking at a figure of R1,5bn to solve the problem, he said. [Text] [Johannesburg BUSINESS DAY in English 15 May 86 p 5] /9274

**BOESAK APPEALS TO JEWS--**Dr Allan Boesak told a Jews for Justice meeting that he welcomed the Jewish community in the struggle for the liberation of "oppressed black people". The United Democratic Front patron and president of the World Alliance of Reformed Churches was guest speaker last night at a meeting in Gardens to commemorate Passover, the Jewish festival of freedom. About 300 people attended. Dr Boesak urged the Jewish community to join black people and work together for a "new dawn" for all. "Please join us in the struggle for liberation," he said. he said all South Africans had the right to call their land "home", therefore he did not speak only for black people. He said the words of Moses to Pharaoh, "let my people go", had become a rallying point for freedom-loving people all over the world. Rabbi Selwyn Franklin of the Green and Sea Point congregations said that since the same time last year the youth of South Africa had taken the initiative to improve their education. All freedom-loving people could no longer condone the continued imprisonment of Nelson Mandela and other political prisoners and South African Jews had come to realise that the suffering of their people was indivisible from the suffering of all other people. [Text] [Cape Town THE ARGUE in English 29 Apr 86 p 6]/12828

CSO: 3400/1784

11 June 1986

SOUTH AFRICA

## REPORTER WARNS OF DANGER OF CHRONIC INFLATION

Johannesburg BUSINESS DAY in English 5 May 86 p 7

[Article by John Tilston]

[Text]

WE ARE constantly reassured that demand in the economy is so low as to be of no immediate threat to the rate of inflation.

Inflation is fuelled by higher costs and, now that the rand has recovered, prospects for some moderation in inflation are good.

A revealing study just completed by Old Mutual economist Rob Lee suggests that SA is treading a dangerous path very close to a precipice beyond which lies chronic inflation.

The inexorable increase in prices has decisively moved out of its 10% to 16% band within which it has traded for the past 12 years. Latest figures put it at 19%.

Though Lee expects the SA monetary authorities to stay this side of disaster, he projects inflation this year dropping to around 16% by year end, but this, he cautions, will be largely a statistical reduction. The high increases of the last few months of 1985 will have the effect of reducing the year-on-year calculations.

For 1987 Lee sees inflation averaging just under 20%. The following year, he believes it will average just over 20%.

Lee's analysis identifies economic characteristics associated with rates of inflation of more than 20% in other developing nations.

In relatively small economies heavily dependent on foreign trade the balance of payments is critically important to economic policy, and in turn inflation. A surplus on the BoP is essential for non-inflationary growth. If the surplus is imperilled, corrective policy measures to depress imports have to be taken.

But if there is a major setback to the BoP, such as a dramatic fall in the price of a dominant export commodity, then the cost of corrective action in terms of unemployment becomes too great. "In such circumstances," says Lee, "the inflation route is usually a more attractive alternative".

The classic BoP problem that has led to hyperinflationary situations is an increased foreign debt commitment, or a cut off in the flow of foreign funds into the country.

IMF statistics show SA had a debt service burden (interest and capital to be repaid in a certain period) of 19% in 1983. Says Lee: "The domestic situation still seems compatible with the inflation range experienced over the past decade. Events in 1985 however substantially worsened our potential debt burden and the ability to service that debt. Given our historical dependence on a net foreign capital inflow, particularly in achieving a satisfactory growth rate, the net impact of the debt standstill agreement, and the scant prospect of attracting a net inflow of foreign capital in the foreseeable future, may have damaged our inflation outlook materially."

A weak currency is another factor associated with high inflation. While a weak currency helps to "automatically" adjust BoP deficits, it can quickly feed inflation through to the domestic economy. This often sets up a vicious cycle of inflation and currency depreciation. Lee notes that SA has so far managed to avoid this, but he warns that it is essential that SA avoids a repetition of the

exchange rate behaviour of the last two years.

High inflation has also afflicted countries when public finance is mismanaged. The most common problems usually stem from an abnormal escalation in the demands on government spending. Lee adds that "a rise in state spending becomes potentially even more inflationary when the size is consistently underestimated, and the appropriate financing policies are therefore not implemented".

Financing higher-than-expected spending can be easier when tax rates within the economy are low. The higher the tax burden, the greater the likelihood that the government will resort to the printing presses.

Lee also points to indexation within an economy as being critical to inflation.

Indexation starts at an informal level with workers using the consumer price index in the wage negotiations to try and protect their real incomes and standard of living.

Inflation really gets a hold and quickly climbs to chronic levels when there is political backing for indexation. In SA, according to Lee, informal indexation is widely practiced as most wage claims are effectively indexed to the CPI. But, he stresses, there is no official backing for indexing and the authorities have in fact distanced themselves from such ideas.

"The informal adjustment process appears to be about 12 months, indicating that indexation is at this stage a factor keeping inflation at present levels rather than being a driving force behind a much higher rate," says Lee.

/9317

CSO: 3400/1732



11 June 1986

## SOUTH AFRICA

## LOWER BOND, INTEREST RATES COULD BOOST ECONOMY

Johannesburg BUSINESS DAY in English 6 May 86 pp 1, 2

[Article by John Tilston]

[Text]

LOWER bond and overdraft interest payments announced yesterday could shift R500m a year from investors' and lenders' pockets to more active areas of the economy.

The average hard-pressed bondholder will have about R35 a month extra to spend.

Bank customers, both corporate and individual, could save as much as R160m in annual interest payments, assuming interest rates do not rise later this year.

Interest rates tumbled yesterday as financial institutions reacted to the long-awaited reduction in Bank Rate.

The United and Allied building societies scrapped differential bond rates and established a single rate of 17%, effectively reducing bond rates by between 1,25% and 0,75%.

The single new rate will also apply to commercial property transactions and flats. For existing bondholders, the new rate will apply from July 1, while those seeking bonds will get the new rates immediately their bonds are granted.

Other building society spokesmen said they would follow suit, probably before the end of the week.

All major commercial banks announced they would reduce prime overdraft rates by one percentage point to 14,5% next Monday.

The reduction in bond rates was accompanied by announcements that deposit rates would also be reduced. Retail fixed deposit rates were cut by one percentage point across the board. The UBS now offers 15% on a five-year fixed deposit.

Savings rates had 0,5% chopped from them, while top paid-up share rates were cut from 14,5% to 13,0%.

Standard Bank Mastercard division announced a cut in interest on debit balances from 24% to 23% and on credit balances from 11% to 10%.

However, the effect on the depressed economy will not be as significant as many hope.

Standard Bank economist Nico Czipionka said a bond rate cut of 2% to 2,5% — which would put about R90 in the pocket of the average bondholder — would have been needed to provide a meaningful boost to the economy.

The reductions just announced will cut about R35 to R40 from the average bond repayment.

If about 850 000 bondholders spend all of their repayment savings the injection into the economy could be about R35m each month. On the other side of the coin, savers will get less, though their propensity to spend interest payments is lower than that of bondholders.

A UBS spokesman said repayments on a R60 000 bond repayable over 20 years would fall from R938/month (at 18,25%) to R881, a saving of R57. A R40 000 bondholder would save R23/month.

The big imponderable is how commercial bank customers will save from the prime rate reductions.

Few customers pay prime for their money and there are suspicions that when the highly-visible prime rate comes down, not everybody else's rates follow.

/9317

CSO: 3400/1732

11 June 1986

## SOUTH AFRICA

## PICK 'N PAY DIRECTORS COMMENT ON INFLATION, UNEMPLOYMENT

Johannesburg THE CITIZEN in English 8 May 86 p 22

[Text] Little is done in South Africa to combat inflation and unemployment, two of South Africa's most serious problems, Raymond Ackerman and Hugh Herman, joint managing directors of Pick 'n Pay say in their annual directors' report.

"In order to combat them, it is necessary to stimulate the economy by de-regulation and the promotion of efficient marketing through free competition."

They are of the opinion that not enough of the gross domestic product of South Africa is being channeled to the entrepreneurial sector of the economy which is the best equipped to create wealth and jobs.

"Some steps were taken in the recent Budget to reduce the high tax burden but it is our opinion that substantially more needs to be done to encourage economic growth of both companies and individuals. It is hoped that the Government will adopt further measures to reduce taxation once it receives the report of the Margo Commission."

They say that despite the difficult situation the past year the group managed to increase their market share and was showing growth. The fact that the group fared better is to a certain extent due to extremely vigorous marketing and promotional activity which had the obvious effect of reducing margins.

Looking ahead they say: "It seems certain that 1986 will prove to be a tough trading year due both to the economic climate and vigorous competition.

"It would be imprudent to make a specific profit forecast in these current uncertain times but we feel we can state with conviction that and the spirit and calibre of its staff, to increase sales and profitability to levels which will fully justify the high rating accorded to the company."

In the year ended February 28, 1986, Pick 'n Pay raised its earnings from 171,2c to 181,4c a share and lifted the dividend by 10,2 percent to 92c a share which was all but twice covered by earnings.

/9317

CSO: 3400/1736

## SOUTH AFRICA

## GENCOR REVIEWS 1985 DEVELOPMENTS

Cape Town THE ARGUS in English 12 May 86 p 7

[Article by Derek Tommey]

[Text]

GENCOR, the huge mining house group, has been adding up its 1985 achievements and they make a formidable list.

For the first time group turnover exceeded R5 billion while profits after tax increased by 66 percent to R458 million, it says in the Gencor 1985 review, published for the group's employees.

The mining division was the main contributor to Group income, almost doubling its share to R363 million.

While this to some extent reflects the weakness of the rand against the dollar, it is also attributable to the significantly increased export volumes achieved through productivity.

"The weak rand was a mixed blessing for the group, for while it benefited mining, it hurt our industrial operations. The combination of high inflation and low demand forced the industrial division's contribution down from R26,4 million to R10,8 million.

"There was some improvement in the last quarter of 1985 when the easing of hire-purchase conditions and the drop in interest rates stimulated demand in the commercial and consumer goods sectors.

"This trend has continued into the first few months of 1986 and present indications

are that this will help to improve the industrial division's results in the current year."

Other major developments and achievements in 1985 were:

- Completing the Beatrix gold mine at a cost of R430 million and reaching full production in record time;
- Completing Sappi's Ngodwana project at a final cost of R1,6 billion which increased capacity by some 50 percent;
- Going ahead with the No 6 shaft at Winkelhaak gold mine at a cost of approximately R260 million;
- Receiving the full benefit of the expansion programmes at the Kinross and Winkelhaak gold mines; and
- Making good progress in the development of a small gold mine at Sao Bento, Brazil;

Because of foreign exchange losses in 1984 and the financing of capital projects, it was necessary to strengthen the capital structures of a number of the industrial companies.

This was done through rights issues of R200 million by Sappi, R120 million by Tedelox and R74 million by Kanyim. Gencor's own capital structure was strengthened during 1984 with a rights issue of R410 million.

No further rights issue is envisaged.

Gencor is now entering a consolidation phase in which funds are being ploughed back to strengthen its balance sheet by gradually increasing the distribution cover.

- Channell Mining made a profit of R83 013 in the six months ended December, 1985, but no dividend is being paid.

In the same period of 1984 the company had a loss of R36 593, and by the end of June 1985, it had an accumulated loss of R1,024 million.

Working income in the six months ended December was R49 716 (year ago, R40 495) while working revenue was R612 690 (R399 204).

The company mined 15 872 tons of ore and produced 10 092 carats (11 690 carats). Yield dropped to 0,64 from 0,93 a ton mined.

- Plascon-Evans Paints has increased its interim dividend by 40 percent from 5c to 7c a share. Attributable profit increased 26,5 percent to R5,3 million (R4,2 million).

Trading conditions had improved and if this situation continues, earnings and the ordinary dividend will be higher than last year, the directors say.

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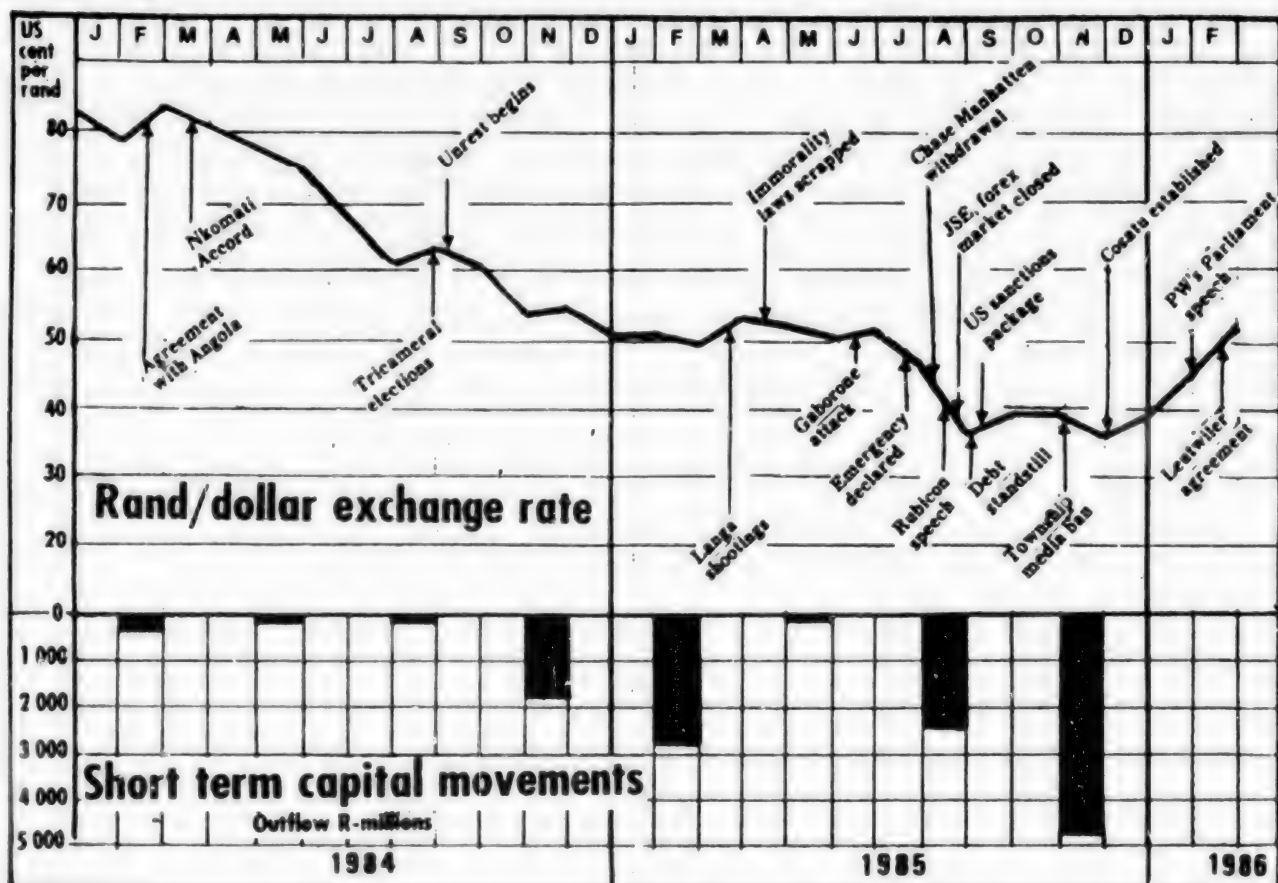
CSO: 3400/1786

SOUTH AFRICA

GRAPH TRACES RAND'S PERFORMANCE SINCE 1984

Cape Town THE ARGUS in English 29 Apr 86 p 23

[Text]



Graph shows the rand's dismal performance since unrest hit the country in 1984. The implementation of the new constitution and agreements with neighbouring states heightened local and overseas perceptions of South Africa's political situation and kept the rand trading around 90 US cents early in 1984. But confidence declined in response to civil disturbance and the start of the recession. An increasing outflow of short-term capital further undermined investors' confidence. But the Leutwiler agreement on debt repayments later had a positive influence.

/9317

CSO: 3400/1763

11 June 1986

SOUTH AFRICA

# MOTOR INDUSTRY PLEADS FOR RELIEF ON TAX

Johannesburg BUSINESS DAY in English 6 May 86 p 3

[Text]

THE motor industry is described as heading for disaster unless government comes to its rescue with significant concessions on perks tax and GST.

"If government is serious about stimulating the motor industry, it should immediately ease up on the perks tax and at least halve GST on new and used vehicle sales for the next two years," Theo Swart, MD of McCarthy Group's motor trading, said yesterday.

"It should also heed the call of manufacturers for the scrapping of the 10% surcharge on all imported items affecting the motor industry.

"The situation is so desperate that we simply do not have time to wait for the Margo Report. The motor market is in such a sad state that widespread unemployment is threatened at the retail end of the business. There is already 36% unemployment at the manufacturing end."

Swart said motor traders had maintained infrastructures pending an improvement in the market, but could not hold on indefinitely.

"This means that the jobs of people of all races at all levels are at risk."

While conceding the need for perks tax, he said it was firmly to blame for the plight of the motor industry.

"The vehicle is taxed on its imported content and it is subject to surcharges and excise and ad valorem taxes. In addition, there is continuous revenue to the government from licence fees and perks tax throughout the life of a vehicle, and it generates GST every time it changes hands.

"Add to this the tax on parts and on the fuel and oil it consumes, and it becomes clear that the motor vehicle represents a veritable cash cow for government," Swart said.

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CSO: 3400/1732

SOUTH AFRICA

NEW TAX TO FINANCE RSC'S EXPLAINED

Johannesburg BUSINESS DAY in English 5 May 86 p 3

[Article by Barry Sergeant]

[Text] In a country experiencing and somehow sustaining its most severe tax burden ever, the idea of new tax is daunting.

Pretoria is not talking about one new tax. It wants to impose on businesses a payroll and a turnover tax to finance its new regional services councils.

Businesses will be the villains for the new tax but, as is the case with any new tax or an increased tax, the consumer pays. Workers will receive smaller wages and salaries; shareholders will be paid smaller dividends; and customers will pay higher prices.

Pretoria is determined to implement the first new levies on September 1. That may happen in theory, but in practice the chances of businesses actually having to pay tax are close to zero.

The main reason is that the draft regulations to the RSC Act are yet to be gazetted and are far from final.

A second possible relief is that when the draft regulations are finalised and published, there will be ample room for tax planning. Tax consultants will advise you on any number of methods to avoid the imposts.

The opportunities for tax planning arise from the RSC levies being fundamentally flawed in economic theory. They are completely new, not being adapted from any other tax jurisdiction in the world. To confuse the issue further, the RSC levies are with the Margo Commission on tax, which is due to file its final report at the end of June.

The revenues raised from the two new taxes are to be used at regional level to finance public transport, garbage collection, bulk water supply, electricity supply, sewerage removal and so on.

With any luck the RSC levies will go out with the first load of sewerage and be replaced by a tax that is acceptable and proven. And it is worth



remembering that on other fronts Pretoria is preaching deregulation and privatisation.

Many, if not most, activities handled by the RSCs are prime targets for privatisation (public transport the most patently obvious).

The draft regulations which will be appended to the RSC Act are currently for comment with selected bodies in the private sector. The document is marked "confidential" and, like the RSC Act, is peppered with anomalies and characterised by confusion.

But assuming the levies are imposed, some of the few absolute points in the draft regulations can be discussed.

The turnover tax will not be called that, but a regional establishment levy (REL)--limited to a maximum of 0,1 percent of turnover. The payroll tax will be called the regional services levy (RSL)--limited to a maximum of 0,25 percent of remuneration.

Finance Minister Barend du Plessis has enormous discretionary powers under the RSC Act. He can change the rate at whim and he can reduce the rates in a particular RSC area while increasing them in others.

Discretionary powers create uncertainty and allow powerful lobby groups to make deals (the Americans use pork-bellied politicians to describe the phenomenon).

The merits or otherwise of the new Constitution, the source of the RSCs, are beyond the scope of this discussion. Here, surely some method of financing the RSCs within existing parameters could have been found? After all, the theory behind the RSC levies enjoys almost universal revulsion among economists.

The simple, short, and perhaps only answer to financing the RSC is an increased land value tax. There is an international lobby arguing that tax should be the only tax used in an economy. The lobby has some powerful voices.

To quote Milton Friedman: "There is a sense in which all taxes are antagonistic to free enterprise--yet we need taxes...so the question is--which are the least bad taxes? In my opinion the least bad tax is a tax on the unimproved value of land."

In SA perhaps the main proponent of the land tax is the Association for Incentive Revenue Research (AIRR). It has submitted to the Margo Commission an argument that the land tax encourages growth, productivity and employment. Simply put, the land tax comprises the collection of "natural rent" based on the market value of land.

It is extracted on a sliding scale, the highest rate on the most productive land and a zero rate on the least productive land. The RSC levies are a tax on productivity; they will discourage increased productivity and the general creation of wealth.

The land tax, by contrast, is a tax on the productive capacity of land. It thus encourages the most productive use of land, rapid development and wealth creation. SA currently uses three main land taxes, the flat tax (on land and improvements); the composite tax (which taxes land at a higher rate than improvements); and the site value tax, which is based on land value only.

The AIRR's Godfrey Dunkley studied land taxes in 310 towns over the period 1951-1979. His study gave all the Oscars to the site value tax.

More than 60 percent of the growth over the period was experienced in towns using the site value tax; towns rating improvements lagged behind gross domestic product growth, and site value rating increased in popularity.

Dunkley observes that provision exists within legal parameters for all towns and cities to adopt site value rating. It was the land tax most favoured by the Boers and has been in SA much longer than income tax.

There are many other powerful arguments in favour of the site value of land tax. It can be used instead of the RSC levies which are new, flawed, uncertain and open to innumerable instances of avoidance and abuse.

Municipal authorities have been collecting land taxes since before the turn of the century. All that need be done is that the rate be increased.

Then, perhaps for once in the tax system, everyone will know where he stands.

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CSO: 3400/1736

SOUTH AFRICA

NEW IDEA FOR ATTRACTING TOURISTS PROPOSED

Johannesburg THE STAR in English 8 May 86 p 10

[Article by Zenaide Vendeiro]

[Text] Extensive and unfavourable coverage of South Africa — which has kept traditional tourists away — can be used to create a new tourist market of almost unlimited potential.

This is the view of a travel consultant, Mr Paul Browning, who has suggested an unorthodox tourism campaign to coincide with the SA Tourism Board's "Indaba" for travel agents, being held in Cape Town next week.

Mr Browning said travel agents were faced with the almost insuperable task of overcoming the impression that the country was both unsafe and — even if this were not true — that it was just not a "nice" place to visit.

Faced with this reality, the SA Tourism Board had trimmed or cancelled large-scale media campaigns and had concentrated on direct approaches to previous visitors.

Even this, however, could do little more than keep business ticking over. South Africa needed to capitalise on its having become the international news story of the decade.

"We have to accept the overseas perception of South Africa as a reality and gear our actions accordingly," said Mr Browning.

"This country has a 'Unique Selling Proposition'. The Caribbean can offer beaches, other parts of Africa have game reserves — but nowhere in the world is there a constitution like ours or a process of social and political development of the kind taking place here.

"Curiosity could be aroused by a major campaign that would ask: 'What is the difference between the ANC and the AWB? What do you know about Inkatha? You must have heard of the Zulus — but what about the Xhosa, the Venda, the Tswanas?' The message would be: 'Come and see for yourself,'" he said.

"This would replace hostility with curiosity. It would mean accepting visitors who had far from complimentary views about South Africa. But their presence would enable South Africans to begin the process of influencing their opinions."

Such a campaign would be difficult, but challenging, and could change the face of the tourist industry and make it a major foreign currency earner.

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CSO: 3400/1785

11 June 1986

SOUTH AFRICA

GOVERNMENT MOVES ON EXPORT INCENTIVES

Johannesburg BUSINESS DAY in English 5 May 86 p 3

[Article by Chris Cairncross]

[Text] Government is moving fast on several fronts to encourage industries to develop their export potential or step up their activities in this regard.

Evidence of this was provided by Trade and Industries Minister Dawie de Villiers during the debate on his budget vote in Parliament last week.

Highlights of government's new supportive actions reflect greater recognition of the need to satisfy the particular requirements of different sectors--and must provide advance indication of the sort of recommendations likely to flow from the Kleu committee investigation into the country's export incentives.

De Villiers focused on two areas requiring special and urgent attention: the depressed state of motor manufacturers and the desirability of stimulating their export potential, and assisting smaller economic units--now seen as major sources of job creation--to develop their export potential.

On the motor industry, De Villiers said he has launched a Board of Trade and Industries (BTI) investigation into how it can aid manufacturers through stimulation of activities aimed at expanding exports. He noted that government believes the exploitation of the export market can make an important contribution towards the stabilisation and sound development of the motor industry.

De Villiers indicated that the BTI has been charged with giving high priority to determining what kind of permanent assistance can be extended to motor manufacturers. This could range from rebates on the excise duty payable on passenger vehicles and light commercials to the extent to which locally manufactured components are being built into both types of vehicle.

These rebates have recently been extended to vehicles intended for export, but are still of a temporary nature only.

The second area where government attention is focused are the export trading houses, including merchants and agents which export on their own account or on behalf of others.

The official hope, apparently, is to stimulate and re-create, within the private sector, the successful trading-house concept utilised by the Japanese.

The needs of the clothing industry are now also being addressed, the purpose being to enable all potential exporters to qualify for the incentives offered.

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CSO: 3400/1736

SOUTH AFRICA

PROFESSOR SAYS NATION'S MANUFACTURING LAGS BEHIND EUROPE

Johannesburg THE CITIZEN in English 14 May 86 p 20

[Article by Madden Cole]

[Text]

AN immature attitude towards export and the lack of a clear industrial strategy has resulted in South African manufacture falling far behind its Eastern and European counterparts, says the Dean of the Wits Engineering Faculty Professor Roy Marcus.

Much of the blame for this lies with the Government's lack of foresight in developing industrial strategy which would have encouraged industrialists to modernise their manufacturing facilities, Professor Marcus says.

"While the rest of the world was advancing towards high technology manufacturing systems, South Africa because of its political situation, has seen Government encourage the use of manual skills rather than automation, which eventually results in more people being employed."

As a result the country has been unable to capitalise on what should have been a period of great financial boom with the current rand/dollar exchange rate. And the reason for this is that

South African manufactured products are unaccepted in the market place.

Professor Marcus warns that South Africa can no longer be complacent about recent developments in high technology and the impact that these development will have on the country's day-to-day existence.

A worrying aspect too is that current school education is starting to lag behind that which is required to keep young people abreast with recent developments in technology.

"It is worrying because for us the 21st Century life will be as different as the pre-car, pre-TV, pre-telephone 19th Century was from today. Mind power and mental ability will replace labour, the physical ability to assemble, as the most valued skill among workers."

Looking at South Africa's position in the high technological era, Professor Marcus says that while it is accepted that a large number of jobs need to be created, then one way of creating these jobs is to

establish a viable manufacturing industry based on the export of finished products.

"Implicit in this however, is that these products need to be manufactured at the same price and quality as those being manufactured in those countries in the Pacific basin."

He adds that the recognition of the emergence of a total industrial revolution is needed now, and if South Africa ignores it, the country will regress further as a Third World country.

He points to the emergence of two new technologies which highlight South Africa's vulnerability in the export of raw materials, namely, the fibre optics and ceramics industries. These technologies are placing the industrial world in the position where they will no longer have to rely on South Africa as a source of raw materials.

"So we have to face the realities of losing major export markets and have to change our strategy from being totally reliant on the export of raw materials."

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CSO: 3400/1763



SOUTH AFRICA

SURVEY SHOWS ELECTRICITY COSTS SOARING

Johannesburg BUSINESS DAY in English 6 May 86 p 2

[Text]

**ELECTRICITY** prices in South Africa showed a massive average increase of 19,7% for the year ended March 31.

That is according to the latest survey conducted by the National Utility Services (NUS), the international energy and fuel consultants.

The increase is nearly four times higher than the next highest percentage of 5,3% in Sweden, which led the tables in percentage increases the previous year.

Last year's 9% increase and this year's jump — predicted by NUS — stems directly from Escom's new financial planning.

"Although Escom have little choice but to pass on their own increased costs, consumers should surely expect some stabilisation of tariff prices in order that they, in turn, can play their part in reducing the inflationary spiral," said Peter Cornelius of NUS South Africa.

Of the 12 Western countries included in the NUS survey, only

five countries — South Africa, West Germany, Sweden, Britain and the US — experienced average increases.

In the others, there was an actual reduction.

The Netherlands took the bouquet with a 22,5% reduction from 12,98c to 10,06c.

Despite the heavy increases, South Africa still maintained the lowest unweighted average of all the 12 countries.

The average of the four major cities, Cape Town, Durban, Johannesburg and Pretoria, at prices ruling on April 1 this year, was 5,81c.

The NUS survey, based on customer size of 1 000Kw and 450 000Kw a month, shows that Pretoria, at 4,67c, is still the lowest non-hydro supplier in the world and is second only to Manitoba Hydro in Canada at 4,39c.

Cape Town is the highest in South Africa at 7,73c, with Durban second at 6,39c. — Sapa.

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CSO: 3400/1732

SOUTH AFRICA

# MINERAL SALE VALUES DOWN IN FEBRUARY

Johannesburg BUSINESS DAY in English 5 May 86 p 9

[Article by Roy Bennetts]

[Text]

MINERAL sales values in February dropped by nearly 17% to R2,1bn compared with R2,6bn in January.

Figures released by the Minerals Bureau show that revenue from exports fell by 18,5% to R1,8bn (R2,2bn) while local purchases declined by 9,2% to R312m (R349,3m).

Gold's contribution to the total dropped to 60,1% (62,4%) at R1,3bn (R1,6bn).

However, production of the metal increased by 2% to 52,4 (52,5) tons, which equates to a unit price of R30 933/kg (R24 609/kg), compared with an average price of R23 189/kg (R22 858/kg). This would suggest that considerably more gold was sold than was actually produced during the period.

Coal sales improved to 13,5-million (13,3-million) tons, but

with the value of the transactions dropping to R400,6m (R416,1m).

Local purchases lost 2% at R154,9m (R158,1m), while export values dropped 4,8% at R245,7m (R258m) in spite of an increase in tonnage sold of 3,7 (3,4)-million tons.

Figures for diamond sales tend to confuse more than clarify, with local and export sales of 1,2-million carats in February being shown as realising R77,2m, while in January only the export figure of 1,3-million carats is revealed as being worth R197,5m.

Local sales in the second month of the year are shown as 88 098 carats at R30,4m.

Copper sales followed the downward trend with a 20% drop in tonnage sold at 14 100 (17 574) tons, and a 26% loss of revenue from R55,1m in January to R40,7m.

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CSO: 3400/1732

11 June 1986

## SOUTH AFRICA

## EXPERTS PREDICT INCREASE IN PRICE OF PLATINUM

Johannesburg THE CITIZEN in English 14 May 86 p 20

[Article by Daan de Kock]

[Text]

ALTHOUGH they never comment on the price of platinum there could be a substantial increase in the price of the metal in the near future. This is the logical deduction one can make from the authoritative report "Platinum 1986" released by Johnson Matthey simultaneously in Johannesburg and London yesterday.

One of the main reasons for this is that the demand for the metal is exceeding the supply at the moment and the fact that the world's two biggest producers, Rustenburg Plats and Impala Plats are working close to capacity "and are unlikely to be sitting on much above-ground stock".

One of the main reasons for the substantial growth in demand is the huge demand for the metal for hoarding purposes in the USA.

According to Platinum 1986 the Western demand for platinum increased around 7 percent last year but the supply to the market, although only exceeded in 1979 and 1980, grew by less than 1 percent.

This was the first time since 1981 that Western demand — 2 810 000 oz in 1985 and up 180 000 oz on the previous year — exceeded supply, which is estimated at 2 740 000 oz by Johnson Matthey.

After taking into account the sales to China and Comecon countries, there was a 100 000 oz shortfall in available supplies measured against demand.

Analysing the demand the report shows that the two major markets were once again the jewellery market and the demand for platinum in autocatalysts.

According to the report, Japan still dominates the demand for platinum for jewellery purposes. In 1985 Japan bought about 44 percent of the Western world's platinum followed by North America with about 37 percent and Western Europe with about 13,5 percent.

Autocatalysts represented the most buoyant sector of industrial demand with worldwide sales to the automotive industry moving ahead by 10 percent with a result that this

sector absorbed 875 000 oz or 31 percent of the total sales in 1985.

The jewellery industry took up 810 000 oz of 29 percent of the sales. The hoarding activity was the fastest growing sector and absorbed 260 000 oz in 1985 compared to the previous year's 170 000 oz.

According to the report the US demand for hoarding purposes increased threefold in 1985.

Total hoarding activity has shown a sixfold increase since 1982 and it is considered that the scope for an uplift in the dollar price of platinum is greater than the prospect of a decrease in 1986, which probably means a continuation of investor interest.

Looking at the future Johnson Matthey is obviously very careful but it concludes by saying South African supplies cannot be expected to increase greatly in the short-term nor can Soviet exports unless a higher price proves irresistible.

The report is available free of charge from Johnson Matthey's offices in Wadeville, Germiston.

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CSO: 3400/1763

11 June 1986

## SOUTH AFRICA

## DUVHA COAL MINE OPERATING AT FULL PRODUCTION

Johannesburg THE SUNDAY STAR (Finance) in English 11 May 86 p 8

[Article by John Orpen]

[Text]

RAND Mines' first colliery tied to an Eskom power station was Duvha, which is now operating at full production. It is an opencast operation and is designed to supply roughly 800 000 tons of coal to Eskom each month.

Duvha is wholly owned by the quoted Witbank Collieries company which, in turn, forms part of the Rand Mines group.

The power station itself is not far from the concrete highway connecting Witbank and Middelburg, and is easily seen by travellers between the Witwatersrand and the Kruger National Park. The green facade of the main boiler and turbine-generator house is unmistakable and distinguishes Duvha from other power stations in the area.

The station has six 600-MW units, giving a total output of 3 600 MW. The last was commissioned early in 1984.

The mine has three draglines for clearing overburden and exposing the coal seams. The third came into operation late in 1984 and opened up a fourth pit in the Wolvekrans North area.

Total sales of coal in the last financial year stood at 9,8 million tons and will probably stick at this level in future years. However, in July last year Duvha achieved a record 1 025 million tons mined.

Like many other opencast mines on the Eastern Transvaal Highveld, Duvha is heavily involved with the rehabilitation of mined-out ground. Just on 46 ha had already been grassed at the end of the last financial year.

A further 106 ha had been levelled and topsoiled, and planting took place during the summer months of 1985-86.

Duvha employs some 1 230 people. Most of the white staff live in the town of Witbank itself, while blacks are largely accommodated in single-quarter, hostel-type housing at Lesedi, adjoining the mine.

Emphasis is given to the development of skills in the labour force, and extensions to the training facilities were completed last year.

Rand Mines is now busy with an in-depth study of a scheme to rationalise coal reserves in the Duvha-Douglas complex. This could mean that a lot more reserves could be made available to Duvha, which in turn would obviously extend the life of the power station.

On top of that, it could release a certain amount of coal for the export market. If it is decided to go ahead with the scheme, substantial capital expenditure would be incurred, though it appears that the funds will probably be generated internally.

Since the advent of Duvha, Rand Mines has embarked on the construction of two more coal mines which will be tied to Eskom power plants. These are Khutala, which will supply the giant 4 032-MW Kendal power station and Majuba, near Amersfoort to the south. The latter will supply a slightly smaller station than Khutala.

Both these mines will differ from Duvha in being underground operations.

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CSO: 3400/1763

SOUTH AFRICA

SHIPPING EXPERT COMMENTS ON FUTURE OF PORT ELIZABETH

Port Elizabeth WEEKEND POST (Business) in English 10 May 86 p 1

[Article by George Young]

[Text]

PASSING almost unnoticed is the changed character of the Port Elizabeth seatriade in recent years.

While the demise of passenger services has affected the interest formerly displayed by the general public in the harbour, Port Elizabeth has become respected as an exporter of considerable hardware to other parts of the world.

Mailships of yore lifted wool, skin, hides and fruit in season.

These commodities still move out in varying quantities by boxship and general carrier, but on my tour of the harbour this week it is apparent that steel, ore and scrap metal are now important export commodities.

Business here is more conspicuous than, for instance, in the much bigger complex of Table Bay where it often happens that two expansive dock basins have not a single ship at a berth.

An experimental export cargo of coal was made to Europe, but it has not been repeated and after the various authorities did their homework after railing about 401 000 tons of coal from Witbank, the cost of the operation may have produced a rethink.

For obvious reasons, not much is said about the destination of cargoes now moving out of Port Elizabeth, but charter fixtures effected in London and available for all to see indicate important purchases by distant countries which refuse to allow political considerations to transcend the economic.

Richards Bay is obviously the coal terminal and shiploads are going to Europe and the Far East from there. Some ships which load American cobbles in Hampton Roads to the maximum draught permitted there, make a stop at Richards Bay to top-up, thereby giving the customer the benefit of two nationalities of steam coal. Hong Kong has been taking big bulk shipments in recent months. Sugar has been going from Durban, so has maize.

Export cargoes through Port Elizabeth, particularly steel from Iscor, assures the original wharfside crane facilities of continued employment, unlike formidable numbers at Cape Town which have been declared redundant and sold to Chicks as scrap.

Also conspicuous in Port Elizabeth has been the switch of Asian-operated freighters, consistent with the demise of European-owned and manned vessels, including the Greeks which — shipowners allege — the unions have succeeded in

driving off the seven seas.

In port this week were Filipino, Korean and Chinese crews — invariably cheaper to hire and sustain — and their ships, which come in to lift rough cargoes at the abysmally low rates being paid for the shipments.

Even indigenous operator, Safmarine, has been able to hire

up to two dozen bulkers, mainly Asian, to process export cargoes on one-way voyages at rates which apparently afford both the owner and the charterer a profit.

South African-owned ships would probably have to run at a formidable loss carrying out coal, ore, steel and scrap, then return in ballast. The Asian ships either bring in bulk cargoes or come in ballast down the coast to load the shipments now being moved out.

That affluent Western shipowners recognise the impact of the Asians is borne out by the decision of British and Commonwealth to sell their shipping portfolio to OCL (Oversea Container Lines) and retain only about 5% interest in Safmarine where they, at one time, had up to 40%. OCL is now P&O Lines.

But while passenger liners are seen no more down this way and Western-operated carriers are conspicuous by their absence, Port Elizabeth can be assured of regular customers flying flags of convenience (Panama, Liberia, Cyprus and the like), but which are able to operate profitably on the rough cargoes now bringing them in increasing numbers to Port Elizabeth.

Rates of exchange encourage this business.

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CSO: 3400/1785



SOUTH AFRICA

BRIEFS

**ADDITIONAL DAILY FLIGHT--**South African Airways yesterday announced that from June 1 it would be operating an additional daily flight on the busy Johannesburg-East London-Port Elizabeth route. The new service will operate from Monday to Thursday using Boeing 737 aircraft and the seating capacity on this sector will be increased from 9038 to 9942 passengers a week. The new schedule for the additional flight will be SA 421 departing Johannesburg at 7,15 am and arriving in East London at 8,40 am. The flight leaves East London 20 minutes later and will arrive in Port Elizabeth at 9,40 am. The return flight will depart at 10 am and arrive back in Johannesburg at 11,30 am. [Text] [Johannesburg THE CITIZEN in English 17 May 86 p 3]/12828

**SAA SELLS 3 AIRBUSES--**South African Airways has sold three used Airbus A300, 250-seat jets to Wardair International Ltd for about R240-million. Wardair yesterday announced the purchase and said it would introduce them to service in August as the first step in a planned fleet expansion. The airbus purchases would allow the phasing out of two Boeing 747 planes, the Canadian company said. [Text] [Cape Town THE ARGUS in English 10 May 86 p 2] /12828

**STANDARD BANK SURVEY ON SAVINGS--**South Africans are counting their pennies, rebuilding their savings and shunning credit purchases, the Standard Bank reports in its latest economic survey. This, it says, is one of the main reasons for the downward path in retail sales since the beginning of the year. The bank believes the consumer's tight-fistedness is the result of their incurring heavy debts last year in a rush to buy goods before prices went up. The resultant heavy hire-purchase payments, the large price increases in most essential foodstuffs, and the shocks when prices started rising together appear to have made the consumer most unwilling to spend. The bank says that as annual pay arises, especially after tax, fell significantly short of the general rate of inflation individuals chose to prune expenditure instead of using more credit or running down savings. This reluctance to spend particularly affected those items considered less essential or those whose useful life could be stretched. As an example it points to the steep fall since the beginning of the year in hotel guest nights sold. Another visible victim of the price and cash flow squeeze has been the car industry. But the bank argues that its difficulties cannot be attributed solely to the perks tax, as sales of virtually all categories of commercial vehicles have also declined. However, the bank is not pessimistic



about the country's prospects. The dramatic fall in the oil price, the improving medium to long-term growth potential of almost all OECD countries may have opened a window of opportunity for South Africa, it says. [Text] [Cape Town THE ARGUS in English 14 May 86 p 12]/12828

GOLD HOLDINGS FALL SHARPLY--South African gold holdings fell 432,26 million rand in April to R2,60 billion after falling R4,74 million to R3,03 billion in March, Reserve Bank figures show. This was partly due to a drop in the average rand price of gold to R638,13 an ounce in April from 661,30 rand in March, while in volume terms they fell to 4,08 million ounces from 4,59 million ounces, reflecting further gold swaps to bolster reserves. Total gold and foreign assets fell to R3,23 billion from 3,80 billion, of which the gold content rose to 80,040 percent from 79,73 percent.--Reuter. [Text] [Johannesburg THE CITIZEN in English 8 May 86 p 22] /9317

INCREASED USE OF VANADIUM--London--David Marshall, chairman of recently listed VANSAs Vanadium SA Limited, is highly optimistic about the growing demand for vanadium in the steel and aerospace industries. He sees the current industrial upturn overseas which could be accelerated by lower oil prices focusing further attention on vanadium. "The market readings are sufficiently positive to make me wish that we could bring forward the erection and commissioning of the VANSAs metallurgical plant at Kennedy's Vale in the Eastern Transvaal." [Text] [Johannesburg THE CITIZEN in English 8 May 86 p 22] /9317

TOURISM PROSPECTS IMPROVING--Prospects for the tourism industry may improve towards the end of the year, according to the latest report of the South African Tourism Board. The report for the year ending December 1985 was tabled in Parliament yesterday. Various factors and events had brought a negative influence on the promotion of tourism during the year, the report says. There were: Intensification of the economic recession and an increase in the inflation rate; Internal unrest and the declaration of the State of Emergency; The drastic drop in the value of the rand, which had increased foreign marketing costs to "unrealistic levels"; and A deterioration in South Africa's overseas image "due to unprecedented negative publicity in the foreign media". The report notes a slight upsurge in the economy late last year and says that, with the co-operation of the entire industry, coupled with Government assistance for additional marketing activities, prospects may improve towards the end of this year. The number of foreign tourists declined 8,2 percent from 1984 to a total of 792387, most of them coming from the United Kingdom and West Germany. [Text] [Johannesburg THE CITIZEN in English 17 May 86 p 8]/12828

HIGHER PRICE FOR WHEAT IMPORTS--The Chernobyl nuclear disaster could mean SA paying much more for its planned import of 300 000 tons of wheat. The price of US wheat soared by about 15 percent last week as a result of speculation that radiation had extensively damaged Russia's grain crops in the Kiev district. Initial estimates put the import bill for SA at about R84m. Tomorrow is the closing date for tenders for wheat imports but Wheat Board GM Dennis van Aarde says the board may decide not to take them up and to invite new tenders in a month's time. [Text] [Johannesburg BUSINESS DAY in English 6 May 82 p 2] /9317

SOUTH AFRICA

PILOTLESS ATTACK, RECONNAISSANCE AIRCRAFT DESCRIBED

Johannesburg THE CITIZEN in English 26 Apr 86 p 13

[Text]

DURBAN — A pilotless attack and reconnaissance aircraft, said to be the most advanced in the world, has been designed by a Durban aeronautical engineer.

The 3,81m remote pilotless vehicle (RPV), codenamed "Eyrie", was designed by Dr Maitland Reed of Westville.

"As far as we are aware, the Eyrie is the best performer in the world," he said.

"It carries four 70mm rockets, two television cameras and looks like something out of Star Wars," said Dr Reed, managing director of National Dynamics.

The Eyrie can fly for 14 or 24 hours, depending on the model, at 350km/h. It has two roving camera eyes which send pictures back to the controller.

Dr Reed said the Eyrie's most deadly harassment role was to pack it with explosives and direct it at a target in a "Kamikaze-type" attack.

It would be offered on the export market for about R8-m for a kit of six aircraft and back-up equipment.

The Eyrie was the result of 12 years' research.

Its closest international contender, the US-built Skyeye, fell short of the Eyrie's performance, with a climb-rate rate difference of 1 000 metres a minute compared with 4 320 a minute.

The Skyeye's flying

time is eight hours against 14 or 24 by the Eyrie.

The Eyrie has a ceiling of 6 060m, with its closest rival capable of 4 545m and can be directly controlled over a range of 160km instead of the nearest competitor's 100km. — Sapa.

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CSO: 3400/1747

SOUTH AFRICA

# MOTOR INDUSTRY 'HEADING FOR DISASTER'

Johannesburg THE CITIZEN in English 6 May 86 p 25

[Text]

THE South African motor industry is headed for disaster unless the Government comes to its rescue with significant concessions on perks tax and GST.

This warning was sounded yesterday by Theo Swart, managing director of the country-wide motor trading operations of the McCarthy group — the country's largest vehicle distributor.

"If the Government is serious about stimulating the motor industry, it should immediately ease up on the perks tax and at least halve GST on new and used vehicle sales for the next two years," said Mr Swart. "It should also heed the call of the manu-

facturers (NAAMSA) for the scrapping of the 10 percent surcharge on all imported items affecting the motor industry," he added.

"The situation is so desperate that we simply do not have time to wait for the Margo Report. The motor market is in such a sad state that widespread unemployment is now threatened at the retail end of the business. We all know that there is already 36 percent unemployment at the manufacturing end," said Mr Swart.

"As motor traders, we have been maintaining our infrastructures pending an improvement in the market, but we can-

not hold on indefinitely without restructuring," said Mr Swart. "This means that the jobs of people of all races at all levels are at risk," he added.

He said the expected upturn in sales in April did not materialise. "Car sales for April will be somewhere between 14 000 and 15 000 units — well down on the 17 000 that some people, including McCarthy, were expecting," said Mr Swart. However, he said that McCarthy had managed to continue to maintain its market share in the first four months of the year in what he described as an appalling retail market.

"The prime blame for

the significant and sustained drop in the motor market can be laid firmly at the door of the perks tax.

"Whilst we do not take issue with the need for perks tax, or its phasing in, we believe that the deemed values — the amounts the taxpayers must fork out — are too punitive and must be significantly lowered," said Mr Swart.

He said that the perks tax has brought a total change to the profile of the motor industry in South Africa.

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CSO: 3400/1747

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